



Annual in-depth Regional Report

➤ WAIKATO REGION



15 July 2008

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EXECUTIVE SUMMARY

Waikato Region showed a broad set of characteristics. While regional council level statistics were generally quite similar to the national results, TA level data varied considerably. Across Waikato Region, youth labour market statistics were variable. When these variable statistics were combined, they produced regional estimates that were frequently around the New Zealand average. Results for Hamilton City (around a third of the region's youth population) were generally of higher quality than the regional average, while results for some of the more rural districts were producing weaker than average results for many of the datasets analysed.

The youth population in Waikato Region grew between 2001 and 2006, at a rate slower than the national youth growth rate. The Waikato Region youth population grew by 10.2% between 2001 and 2006, less than the 13.1% growth in national youth. Youth growth was focused on Hamilton City (up 15.1%), Waikato District (up 13.2%) and Thames-Coromandel District (up 13.2%). Other districts either increased their number of youth at a slower than average rate or actually declined.

The youth population is projected to grow by 6.5% in the period to 2031, a rate slower than the average rate. Nationally, the youth population is projected to grow 12.0% in the period to 2031. The total population of Waikato Region is projected to grow by 19.9% over the same period. This means that, while there will be more youth in Waikato in 2031, their share of the population in Waikato will be smaller. The growth of youth is focused in urban areas. In all but Hamilton City, and Waipa and Waikato Districts, there will be fewer youth in 2031 than there were in 2006.

Migration statistics showed a net outflow of youth from Waikato Region. While net migration was negative for youth between 1996 and 2006, the bulk of this outflow occurred between 1996 and 2001. Between 2001 and 2006, the net outflow was significantly fewer, especially for 20–24 year olds.

Waikato Region school leavers in 2006 had a rate of NCEA Level 3 attainment almost 7 percentage points lower than the national average. Waikato Region school leavers had a higher than average share of all lower levels of attainment. Across the region, Waipa District and Hamilton City had the highest rate of NCEA Level 3 attainment at around 30%, still below the national rate of 33%. The more rural districts of Waikato Region had high levels of school leavers with attainment of between Level 1 and Level 3 NCEA.

The rate of youth who were not in employment, education or training (NEET) was higher in Waikato Region than the national average. Younger youth (aged 15–19) had NEET rates similar to the national average while the older youth (20–24) had quite variable NEET rates across the region. While Waikato Region had higher than average NEET rates, the TAs of Hamilton City and Waipa District both had NEET rates similar or lower than national rates.

Waikato Region had nearly twice the rate of youth with post-school study in Agriculture, Environmental and Related Studies as the national average (5.7% compared to 3.2%). The rate of youth with a post-school qualification in Engineering and Related Technologies was also higher in Waikato, while there was a lower than average rate of youth who studied in Creative Arts, and Society and Culture.

Between 2001 and 2006 in Waikato Region, the youth labour force grew faster than the youth population, causing the labour force participation rate to rise. Amongst the TAs of this report, six of the ten TAs recorded higher youth labour force participation rates in 2006 than they had in 2001. While labour force participation was generally a positive, amongst youth, increased rates of study and training were also indicators of youth success.

While Waikato Region had a similar youth unemployment rate to the national youth rate, there were some TAs with particularly high unemployment rates. In particular, South Waikato District had a youth unemployment rate of almost 20%.

Retail Trade was the largest employer of youth in Waikato Region in 2006, followed by Manufacturing, and Accommodation, Cafés and Restaurants. Youth provided over a third of all employment in the Accommodation, Cafés and Restaurants industry and 30% of Retail Trade employment. High employment in these two industries reflects the high share of part-time employment of youth, especially amongst those aged 15–19. These patterns occurred in Waikato Region and in the rest of New Zealand. Nationally and in Waikato Region, older youth (20–24 year olds) had a considerably lower rate of part-time employment.

Youth employment growth was strongest amongst the skilled occupations. Between 2001 and 2006, employment growth for youth was fastest for Technicians and Associate Professionals, and Trades Workers. The employment growth of youth in these occupations was faster than for the total Waikato Region population of these occupations.

Youth in Waikato Region earned slightly more than the national average for youth. This is likely linked to the high rate of full-time employment amongst youth in Waikato Region, which is at a rate noticeably higher than the national average.

INTRODUCTION

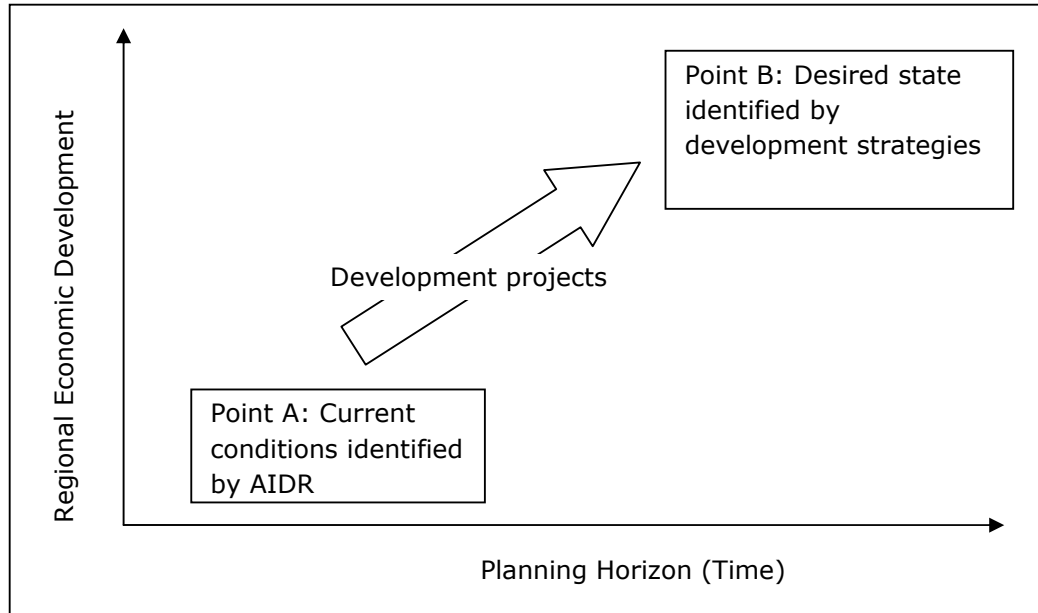
The 2008 Annual In-Depth Regional reports present an analysis of regional and sub-regional labour market characteristics, specifically focusing on youth. Much of the content of this report comes from data collected in the 2006 Population Census but is supplemented by qualitative regional information. As the 2008 reports will not generally present tables/charts previously included in the 2007 reports, the reader can refer to the 2007 reports on the Department of Labour website, see <http://dol.govt.nz/publications/lmr/archive/regional-indepth-2007/index.asp>. Summary tables showing total population and total employment are included in Appendix 2.

Purpose of the reports

The Annual In-Depth Regional reports (AIDRs) are designed to act as a benchmark for people who make strategic decisions at a regional level. These reports, first produced in 2007, present a range of high-quality data and interpretation, which describe the current labour market by regions and their constituent Territorial Authorities (TAs). The AIDRs are intended to be used in association with development strategies (including Long Term Council Community Plans, Labour Market Development Strategies and Economic Development Strategies¹) to assist decision makers to identify and achieve long-term development goals for regions. This process is outlined in Box 1. By having clear, current and reliable labour market information (provided through the AIDRs, Point A) and clear target goals (through the Development Plans, Point B), communities can develop processes to enhance labour market performance to achieve regional and community development over time.

¹ A list of all local government Annual and Long Term Community Plans can be found on the Local Government New Zealand website – <http://access.localgovt.co.nz/LocalGovernment/CouncilPlansStrategies.htm?DocumentGroup=1>.

Box 1: Outline of role of AIDRs



An example of how the development projects can be framed is the 'buy, make, fix' approach. Inward migration (**buying** the skills into the region), training (**making** the skills within the region) and reconfiguring the industry (**fixing** the problem by redesigning business processes or productivity improvements) are all ways in which skill shortfalls can be addressed.

An example of the application of this framework can be found in the Hauraki Labour Market Strategy – http://www.hauraki-dc.govt.nz/documents/publications/Labour_Market_Strat.pdf.

Why choose youth?

The theme of 'youth' was chosen after careful evaluation of the feedback from the 2007 AIDRs as well as comments received from stakeholders over recent months. Earlier this year, the government released a discussion document on Schools Plus. Schools Plus is the policy being developed to achieve the government's goal that "all young people are in education, skills, or other structured learning, relevant to their needs and abilities, until the age of 18"

As part of Schools Plus, there will be a strong focus on:

- developing a highly skilled and well-prepared youth workforce to meet current and future workforce needs
- opening up high-quality, well-planned, 'real world' pathways into skilled employment and on-going training and learning.

Schools Plus complements the Unified Skills Strategy², which focuses on the whole working-age population and aims to ensure that individuals and

² For more information about the Skills Strategy, see the New Zealand Skills Strategy website – <http://www.skillsstrategy.govt.nz/>.

organisations develop and use the skills that the workplaces of the future will need³.

Both Schools Plus and the Unified Skills Strategy also complement the Mayors Taskforce For Jobs (MTFJ) goal “that all young people under 25 years be in paid work, in training or education, or in productive activities in our communities”⁴. Additionally, a recently released OECD report⁵ on young people in New Zealand highlights that, although most young people are engaged in employment, education and training, there are a number who are at risk of poor long-term life outcomes. Therefore, by making youth 2008’s theme, we intend these reports to help regional decision makers identify key challenges for their regions’ young people. We will investigate focusing future reports on other themes.

Jobs for Youth – OECD New Zealand Report 2008

The Organisation for Economic Co-operation and Development (OECD) has designed a ‘...thematic review of policies to facilitate the transition from school to work to improve the career perspectives of youth.’⁶ This review is to be conducted in 16 OECD countries between 2006 and 2009 – the New Zealand review was completed and published in early 2008. Amongst the findings of the New Zealand report were the following major recommendations for the further development of youth career perspectives:

- Improving retention rates in secondary education.
- Ensuring that tertiary education provides the skills required in the labour market and improving the quality and scope of vocational education at the tertiary level.
- Monitoring potential demand-side barriers to youth employment.
- Improving the design and coherence of the current activation strategy for disadvantaged youth⁷.

Definition of youth

The definition of ‘youth’ can differ, generally based upon age groupings. Data available to the Department of Labour (DoL) is generally split into 5-year age groups. On this basis, the definition of youth used in this report is ‘people aged 15 to 24’. This definition of ‘youth’ is consistent with international standards and those used by DoL. Those aged 15–24 are undergoing a major developmental phase, with young people generally transitioning from living at home and attending school to adulthood and employment. A 15 year old generally has quite different characteristics to someone aged 24 and so, where available and appropriate, data will be presented separately for 15–19 year olds and 20–24

³ Opportunities for New Zealand’s Future: Realising Youth Potential – <http://www.beehive.govt.nz/speech/opportunities+new+zealand%e2%80%99s+future+realising+youth+potential>.

⁴ Mayors Taskforce For Jobs – <http://www.mayorstaskforceforjobs.co.nz>.

⁵ *Jobs for Youth: New Zealand*, OECD 2008 – http://www.oecd.org/document/32/0,3343,en_2649_201185_40045280_1_1_1_1,00.html.

⁶ Ibid, p3.

⁷ Ibid, p11.

year olds. Data from the Census shows that 79% of all 15–19 year olds lived with their families, while the corresponding figure for 20–24 year olds was 32%. This difference has major effects on a variety of the results in this report, including migration, work and labour force participation decisions.

Data within this report is primarily based upon the residential address of the person. Analysis within this report reflects the characteristics of youth who live in that region. In the 2007 reports, data was frequently based upon the workplace address of the person. In the 2006 Population Census, some of the workplace addresses provided were incomplete, which causes difficulty in interpreting data on a workplace address basis.

The analysis of the labour market information in the AIDRs is also supported and informed by contextual knowledge of the region itself provided by staff working in the regions. This has been provided by the Department of Labour’s regionally-based Labour Market Knowledge Managers. Input from regional stakeholders is acknowledged with appreciation.

Role of the Labour Market Knowledge Managers

The Department of Labour’s Labour Market Knowledge Managers (LMKMs) work with regional partners (economic development agencies, industry and business groups, other central government agencies, educational institutions, local government, iwi, other parts of DoL present in the regions and others) to develop and implement regional labour market strategies.

LMKMs contribute:

- specialist applied and anecdotal labour market information
- strategic skills for labour market development
- knowledge of what works and what does not
- whole-of-DoL engagement (workforce policy, immigration, workplace best practice and so on)
- wider government connections.

How to contact our Labour Market Knowledge Managers

We have 16 LMKMs located around New Zealand. If you have any queries regarding this document, or if you wish to discuss regional labour market issues, constraints or opportunities, please contact:

Brendon Gardner
Email: brendon.gardner@dol.govt.nz
Phone: 07 959 3440
Mobile: 027 444 5805

A contact list of all LMKMs can be viewed in Appendix 3.

Understanding the youth labour market in Waikato Region

Every region is unique, combining different histories, and differing climate, infrastructure, industry and population characteristics.

Section 1 of this report looks at:

- the supply of labour
- identifying youth population
- projections of this population in 2031.

Section 2 looks at the skills of youth in the regions including:

- education
- training
- highest qualification data.

Section 3 looks at the employment of young people, including:

- industries and occupations of their employment
- unemployment rates
- income levels.

A Data Dictionary is included at the end of this report. This dictionary gives an introduction to the different labour market information that has been used in the production of these reports.

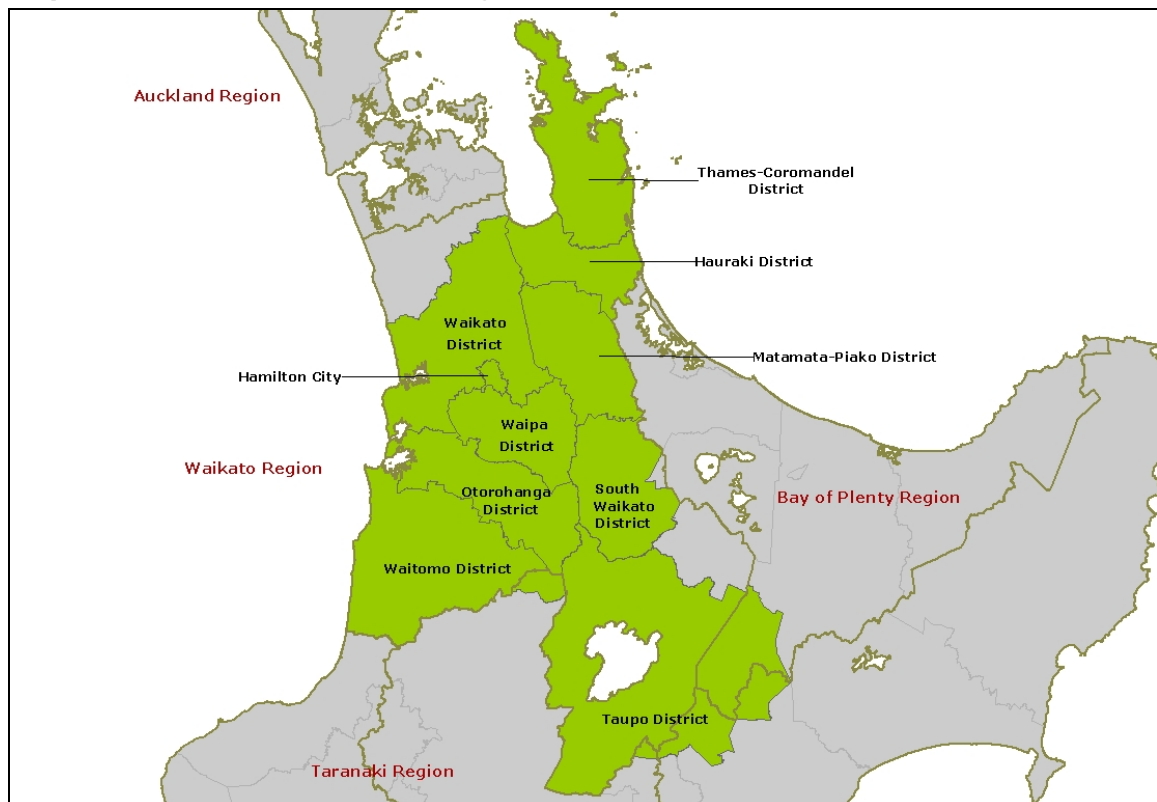
BOUNDARIES: WAIKATO REGION

Waikato Region covers 35,000 square kilometres, the fifth largest region by land area in New Zealand. Waikato Region includes the following Territorial Authorities (TAs): Thames-Coromandel District, Hauraki District, Waikato District, Matamata-Piako District, Hamilton City, Waipa District, Otorohanga District, South Waikato District, Waitomo District, Taupo District, Franklin District and Rotorua District. The Territorial Authorities are shown in Map 1 below.

The boundary of Taupo District crosses into Bay of Plenty Region but has been included in the Waikato AIDR, as the largest proportion of area is in Waikato Region. Conversely, Franklin District crosses the Waikato and Auckland regional council boundaries and Rotorua District crosses the Waikato and Bay of Plenty regional council boundaries. As the largest proportion of area in Franklin District is in Auckland Region, it has only been included in the Auckland AIDR. For similar reasons, Rotorua District has only been included in the Bay of Plenty AIDR.

When regional council data is shown, it is based on the actual regional council boundaries, rather than a sum of the Territorial Authorities identified above.

Map 1: Boundaries of Waikato Region



1. REGIONAL POPULATION COMPOSITION

The foundation for any labour market analysis is the supply of labour that is available for use within an area. Broadly speaking, the supply of labour in an area consists of a combination of people from the existing population base, migration of people from other regional councils in New Zealand and overseas migrants.

1.1 Waikato Region's population

The Waikato population has grown consistently across the more recent Census periods (2001–2006). In 2006, just under 383,000⁸ people lived in Waikato Region, with around a third of the regional population living in Hamilton City. As a whole, the Waikato regional population grew by just under 25,000 people (or 7%) between 2001 and 2006. Sub-regionally, the changes in population numbers were quite variable; while the population of Hamilton City grew strongly, the population of some of the more rural districts declined.

A table showing the total population of the Waikato Region and population changes since 2001 is provided in Appendix 2.

In New Zealand, there were 571,176 people aged between 15 and 24 (youth) at the time of the 2006 Population Census, up 13.1% from 2001.

In 2006, there were 54,033 youth in Waikato Region, up 10.2% from 2001. Over the period 2001 to 2006, the number of youth increased in most of the districts of Waikato Region. Minor declines were experienced in South Waikato and Otorohanga Districts, while the rate of growth across the remainder of districts was relatively low, with only Thames-Coromandel District, Waikato District and Hamilton City having a rate of growth that kept up with the national youth growth rate.

⁸ There were 382,716 people usually residents within Waikato Region at the time of the 2006 Population Census. The population of the TAs shown in the report sum to 362,895. Wherever regional data is identified in this report, it is based on the regional council boundaries and not the sum of the TAs.

Table 1: Waikato Region youth population and change 2001 to 2006

	2001	2006	Change 2001–2006	
			Number	Percentage
New Zealand	505,071	571,176	66,105	13.1%
Waikato Region	49,017	54,033	5,016	10.2%
Thames-Coromandel District	2,049	2,319	270	13.2%
Hauraki District	1,680	1,833	153	9.1%
Waikato District	4,941	5,595	654	13.2%
Matamata-Piako District	3,402	3,690	288	8.5%
Hamilton City	21,045	24,219	3,174	15.1%
Waipa District	4,884	5,061	177	3.6%
Otorohanga District	1,299	1,254	-45	-3.5%
South Waikato District	2,847	2,799	-48	-1.7%
Waitomo District	1,158	1,164	6	0.5%
Taupo District	3,708	3,906	198	5.3%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

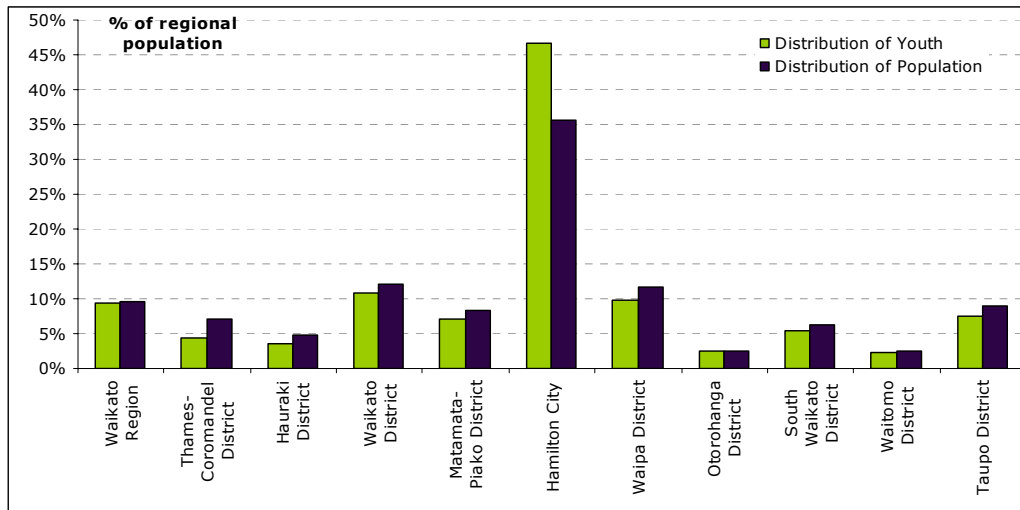
Does this pattern of population growth match what you have seen? If not, what differences have you seen? What are the implications of these changes?

Chart 1 shows that youth were distributed unevenly across Waikato Region. Within the Territorial Authorities (TAs) covered in this report, nearly half (47%) of youth lived in Hamilton City. Hamilton City was the only TA in the region that had a higher share of youth than their share of the total regional population (i.e. a higher 'concentration' of youth). Otorohanga District had a proportional share of youth to their share of the total population. All other TAs in Waikato Region, particularly the Thames-Coromandel District, had a much smaller share of youth than their share of the regional population (i.e. a low 'concentration' of youth).

Reflecting the importance of youth to local communities, local government across New Zealand has a range of programmes underway with the aim of integrating young people into council decision making. A list of these programmes is available from the LGNZ website –

<http://www.lgnz.co.nz/projects/archive/toolkit/examples/>.

Chart 1: Distribution of youth and the total population in 2006

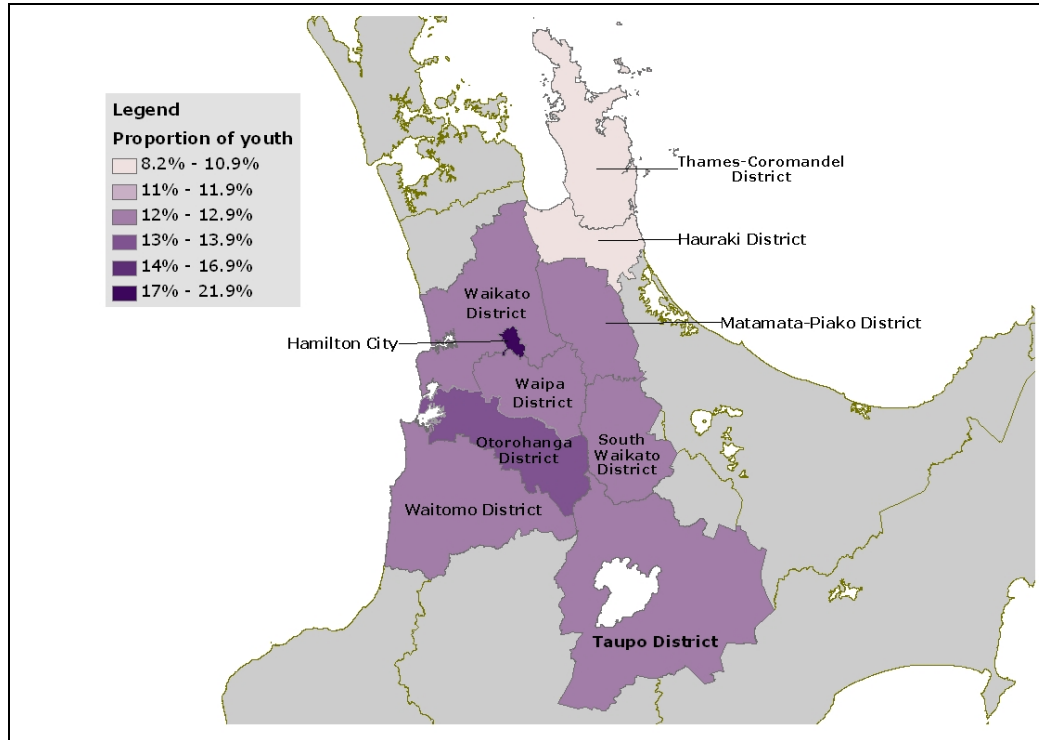


Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Note: This data shows the number of youth within an area divided by the number of youth in all of the Waikato TAs.

Another way of analysing the youth population in Waikato Region is to look at the share of the total population within a TA and the region aged 15 to 24. Within the TAs of Waikato Region, the concentration of youth was quite varied. As can be seen in Map 2, Thames-Coromandel District had the lowest proportion of youth in the population, at 8.9% (as shown by the pale purple shading), ranging up to 18.7% in Hamilton City (as shown by the dark purple shading).

Map 2: Concentration of youth in Waikato Region



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

In Appendix 2, a table shows the ethnicity composition for the total population of Waikato Region and the component TAs. The table shows that the total Waikato Region population had a higher than average share of people reporting Māori ethnicity than the national Māori proportion. Table 2 shows a similar ethnic composition for youth in Waikato Region as well. Across each of the TAs of Waikato Region, Māori youth made up a larger share of the youth population than the national average rate (i.e. there was a higher concentration of Māori youth in each of the TAs in Waikato Region compared to the national average for Māori).

As well as having a greater proportion of the youth population than the national average, the share of Māori youth in the youth population was larger than the total Māori share of the total regional population – you can get the total population data from the Ethnicity table in Appendix 2. This result means that there was a high proportion of Māori in Waikato, and the Māori population was clustered in younger age groups.

The data for European youth shows a noticeably different pattern. While the share of European youth in the youth population did exceed the national share in some areas, in all but Waipa District European youth made up a smaller share of the youth population than Europeans overall contributed to the TA population.

Table 2: Ethnicity of youth in Waikato Region in 2006

	European	Māori	Asian	Pacific Peoples	New Zealander	Other
New Zealand	63.0%	18.6%	14.3%	8.9%	7.5%	1.3%
Waikato Region	66.8%	27.3%	8.6%	4.4%	7.6%	1.0%
Thames-Coromandel District	77.5%	28.1%	2.3%	2.3%	8.1%	0.5%
Hauraki District	76.2%	29.5%	3.0%	3.2%	7.2%	0.0%
Waikato District	65.9%	35.1%	3.1%	2.8%	7.9%	0.3%
Matamata-Piako District	76.6%	19.1%	3.7%	1.7%	9.3%	0.3%
Hamilton City	61.8%	22.9%	15.8%	4.6%	7.3%	1.8%
Waipa District	80.1%	19.8%	2.5%	1.9%	8.6%	0.2%
Otorohanga District	67.3%	37.3%	3.0%	3.3%	6.0%	0.5%
South Waikato District	59.1%	41.1%	2.1%	16.4%	6.8%	0.2%
Waitomo District	56.1%	52.8%	1.4%	3.8%	5.4%	0.0%
Taupo District	65.7%	40.2%	2.3%	4.6%	7.1%	0.3%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Note: This profile is based on people's own perceptions of their ethnicity. A number of people identify themselves as having multiple ethnicities, therefore, the percentages sum to more than 100%.

Table 3 shows that, within Waikato Region, the variable growth pattern seen in the youth population over recent Census periods is projected to continue in the period to 2031. Similar tables showing population projections for both the entire Waikato Region population and youth nationally and are provided in Appendix 2.

The youth population of Hamilton City is projected to increase over the next 25 years, with the youth population growing faster than the national average. Over the period to 2031, the total population of Hamilton City is projected to grow by 31%. This means that, while the youth population is projected to grow strongly, they will make up a smaller proportion of the region's population in 2031 than they did in 2006. Other than Hamilton City, and Waikato and Waipa Districts, all other TAs within Waikato Region are projected to have fewer youth in 2031 than in 2006.

Table 3: Waikato Region population and population projections 2006 to 2031

	2006		2031		Percentage Change	
	15-24 Years	Total Population	15-24 Years	Total Population	15-24 Years	Total Population
New Zealand	571,176	4,027,947	639,810	5,089,470	12.0%	26.4%
Waikato Region	54,033	382,716	57,530	458,900	6.5%	19.9%
Thames-Coromandel District	2,319	25,941	2,030	29,100	-12.5%	12.2%
Hauraki District	1,833	17,190	1,160	15,450	-36.7%	-10.1%
Waikato District	5,595	43,959	6,780	57,700	21.2%	31.3%
Matamata-Piako District	3,690	30,480	2,880	30,900	-22.0%	1.4%
Hamilton City	24,219	129,249	29,340	177,400	21.1%	37.3%
Waipa District	5,061	42,501	5,660	51,700	11.8%	21.6%
Otorohanga District	1,254	9,075	990	8,350	-21.1%	-8.0%
South Waikato District	2,799	22,641	1,740	18,450	-37.8%	-18.5%
Waitomo District	1,164	9,438	950	8,640	-18.4%	-8.5%
Taupo District	3,906	32,421	3,090	34,800	-20.9%	7.3%

Source: Population Projections 2007 (2006 base), Statistics New Zealand

Note: For more information about the population projections data, see the Data Dictionary.

What are the implications for regional development plans if this forecast of youth population growth occurs? Do current plans reflect these population changes? Do they need to?

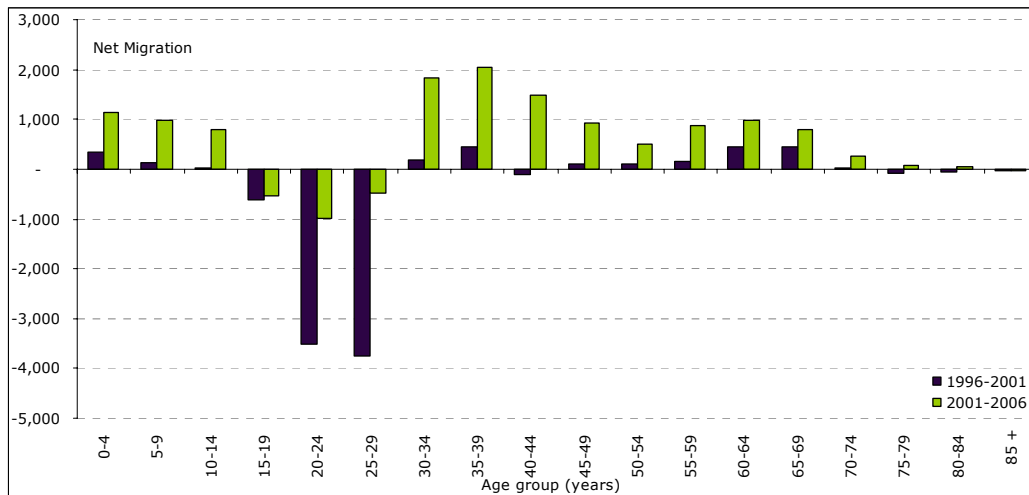
1.2 Migration

People moving to and from a region can have a large impact on the labour force characteristics of the area. This section looks at how migration (inter-regional and overseas) affected the labour supply in Waikato Region.

Chart 2 shows net overseas and inter-regional migration (inflows less outflows) for Waikato Region over the past 10 years. Over the past 10 years, Waikato Region had a net outflow of people aged 15–24.

All TAs in Waikato Region except for Hamilton City had a net outflow of people aged 15–24 going to other areas over the past 10 years. Over this period, Hamilton City experienced a net inflow of people aged 15–19 but a net outflow of people aged 20–24. It is likely that these flows were people coming to the area to study and then leaving the area after study⁹.

Chart 2: Net migration (overseas and inter-regional) in Waikato Region by age 1996–2001 and 2001–2006



Source: 1996, 2001 and 2006 Population Estimates, Statistics New Zealand

Inter-regional migrants

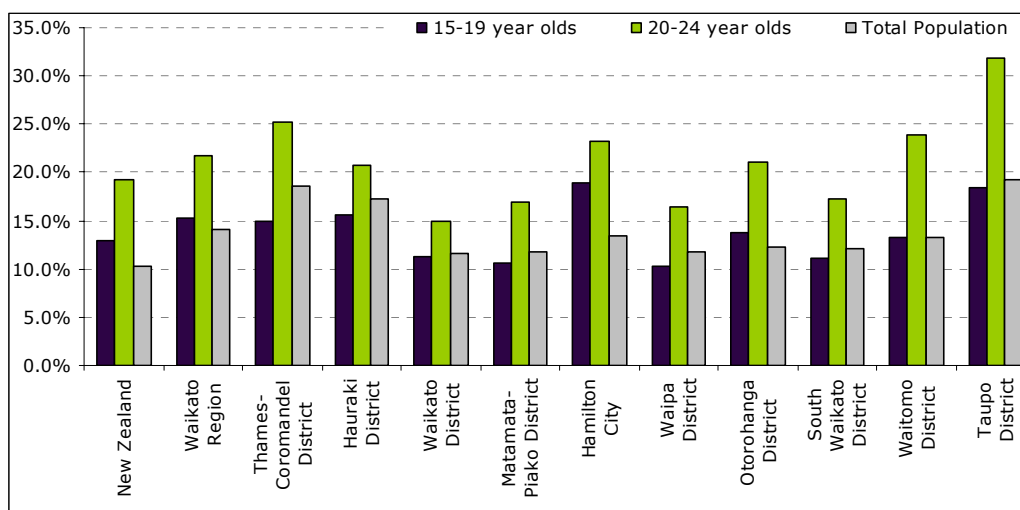
One source of labour supply is people moving to the region from other regions of New Zealand. Young people tend to be highly mobile and are more likely to migrate for work or study than older people. Young people can move regions for a range of reasons, such as to seek employment and education or for family reasons. Regions that are largely urban and offer a range of educational

⁹ For more information about net migration at a Territorial Authority level, check out Local Population Trends on the Statistics New Zealand website – <http://www.stats.govt.nz/products-and-services/Articles/local-population-trends.htm>.

opportunities, such as Auckland and Wellington, generally have a net inflow of young people.

In 2006, youth who migrated into Waikato Region from another region over the previous five years made up 18.2% of the Waikato youth population, while all inter-regional migrants made up 14.1% of the total Waikato Region population. Chart 3 shows the proportion of the 2006 Census usually resident population of Waikato Region who usually lived in a different region at the time of the 2001 Population Census. The chart shows that a higher proportion of 15–19 year olds in Taupo District and Hamilton City lived in a different region five years ago than the regional average. Similarly, the proportion of inter-regional migrants aged 20–24 years was higher than the regional average in Thames-Coromandel District, Hamilton City, and Waitomo and Taupo Districts. It is likely that this higher than average share of migration of youth to Hamilton City was a result of people moving to the area to study at Waikato University and with other training providers within the city.

Chart 3: Proportion of the 2006 population in Waikato Region that lived in another region in 2001



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Overseas migrants

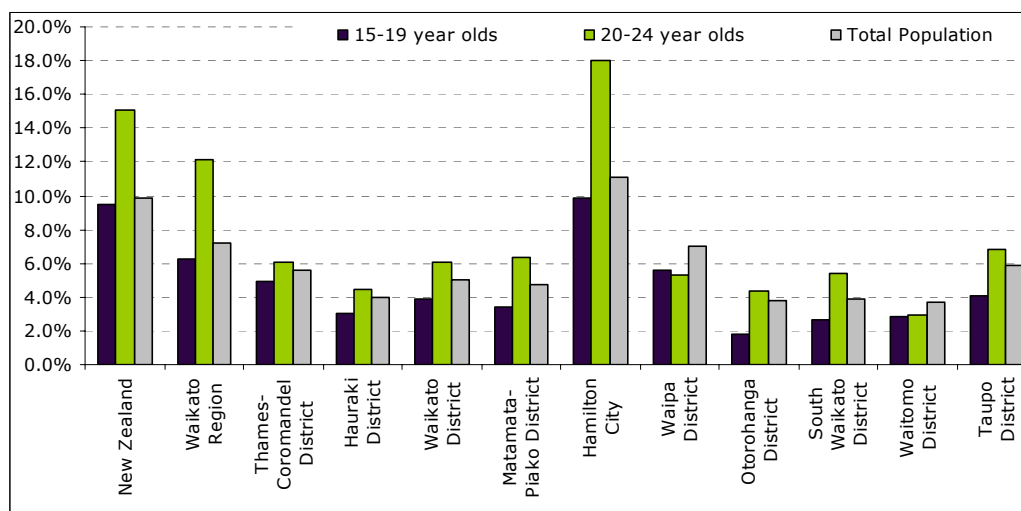
Another source of young people for a region is those who migrate into the region from overseas. Not only are these youth a valuable new resource for a region, they frequently have different characteristics. By identifying the number and characteristics of migrant youth, an area can identify how best to make the most of this valuable resource.

Hamilton City had a larger international youth population than the rest of Waikato Region. Over 20% of the Hamilton City youth population were born overseas, whereas the rest of the region's share was less than 15%. Hamilton City was the only district within Waikato Region where the size of the overseas migrant youth population was similar to the national average. Hamilton City was also the only district where the share of overseas migrant youth exceeded the overall share of

migrants within the TA population. It is highly likely that this higher than average share of migrant youth was due to international students studying at Waikato University¹⁰. This pool of young people is likely to be particularly transitory, more likely than average to move for employment opportunities both domestically and internationally.

Chart 4 shows that, in 2006, a smaller proportion of the population in Waikato Region were overseas in 2001 compared to the national average. All TAs in Waikato Region except Hamilton City had a smaller proportion of recent overseas migrants compared to the national average. Hamilton City had a significantly larger proportion of recent overseas migrants aged 20–24 years compared to the national average and a slightly larger proportion of recent overseas migrants aged 15–19.

Chart 4: Proportion of the 2006 population that lived overseas in 2001



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Does this pattern of inter-regional and international migration match your understanding of what is happening? Are there any active policies in place to address this pattern? If so, how have these policies been chosen?

10 The University of Waikato website states: "We are home to more than 13,000 students including close to 2,200 international students (around 17% of the student population) from over 70 countries." – <http://www.waikato.ac.nz/enrol/international-students.shtml>.

2. EDUCATIONAL QUALIFICATIONS AND TRAINING

Section 1 looked at the total number of youth within Waikato Region in 2006 and projections for 2031. It also showed some of the demographic and migration characteristics of youth in Waikato Region. While the absolute number of youth in the population is important in evaluating labour markets, it does not provide a complete picture. As important as the volume is the level of skills young people have attained – the topic of analysis in this section.

By identifying which skills are available within a region, it can be determined whether those available are sufficient to meet employer demands. Where skill levels are not sufficient, interventions may be needed.

The development of skills in New Zealand is a core requirement for the New Zealand economy to continue to compete internationally. The New Zealand Skills Strategy was launched in April 2008¹¹. The strategy "...propose(s) to prioritise work in the following areas:

- Literacy and numeracy
- Building firm capability
- Skills supply and demand
- Young workers."

The "...priorities are designed to help us reach our goals:

Goal 1: Use and retain skills in the workplace.

Goal 2: Increase the quality of demand from employers and workers.

Goal 3: Create a more responsive education and training system.

Goal 4: A unified approach to defining, valuing and measuring skills."

A workforce with a greater range of skills, experience and knowledge can contribute more effectively to lifting the value of all forms of work. Possession of qualifications means someone has been through a formal learning process. The sorts of skills acquired may include improved literacy and numeracy as well as softer skills such as team-work and working to deadlines. All these skills tend to make employees more productive and, hence, more valuable to employers.

There is no single measure of skills availability, although there are a range of measures that indicate areas of skill shortages (or otherwise) in a region. Section 2.1 reviews these measures to show the skills of youth available within Waikato Region. Section 2.2 looks at the study and labour force status of youth, with a particular focus on youth who are not in employment, education or training (NEET). Section 2.3 looks at the highest qualifications held by youth as well as the subject area (or field of study) of this qualification.

¹¹ See the New Zealand Skills Strategy website for further information – <http://www.skillsstrategy.govt.nz/>.

2.1 School-based qualifications

Information on the qualifications achieved by school leavers is important in identifying both current skills and indicating the level of skills likely to be available in the future. Data made available by the Ministry of Education shows the qualification levels of school leavers. This data shows the proportions of school leavers with little or no qualifications, partial qualifications and those leaving school with NCEA Level 3 and above.

While at school, in addition to core study, the Gateway programme "...offers senior secondary students structured workplace learning across more than 50 industries and hundreds of businesses around New Zealand".

"Students pursue individual learning programmes, which allow them to gain new skills and knowledge in a workplace in their local community. The learning is hands-on and practical. Students are assessed in the workplace for unit and achievement standards, which contribute to the National Certificate of Educational Achievement (NCEA), as well as industry specific qualifications."¹²

In addition to the Gateway programme, the Ministry of Education runs the Creating Pathways and Building Lives (CPaBL) programme. "Creating Pathways and Building Lives (CPaBL) is an initiative for building a school-wide approach to career education, to take place in 100 secondary schools nationwide during the 2007 and 2008 school years. Based on evidence from the successful Designing Careers pilot, the aim of CPaBL is to embed sustainable systems and practices that allow effective careers advice to occur, via a whole-school approach."¹³

Nine schools in Waikato Region are participating in CPaBL. The schools are:

- Coromandel Area School
- Paeroa College
- Fairfield College
- Hamilton Boys' High School
- Ngaruawahia High School
- Putaruru College
- Forest View High School
- Te Kuiti High School
- Taupo-nui-a-Tia College.

People leaving school with little or no qualifications can, of course, still find employment, although these jobs are likely to be in lower-skilled occupations. These people are also more likely to demand further education and training from regional education providers. School leavers with partial qualifications are also likely to be a group that seeks post-school training, especially in trades occupations. School leavers with qualifications at NCEA Level 3 and above are particularly mobile, and are most likely to continue in education. In areas with

12 Taken from the TEC website, 19 May 2008 – <http://www.tec.govt.nz/templates/standard.aspx?id=469>.

13 Taken from the Ministry of Education website, 19 May 2008 – <http://www.minedu.govt.nz/index.cfm?layout=index&indexID=11720&indexparentid=1004>.

few/no tertiary providers, it is these residents that are most likely to leave and potentially not return.

The Ministry of Education has published a range of studies into the relationship between study and youth outcomes. For more information, see the Ministry of Education website – http://www.educationcounts.govt.nz/themes/education_and_the_labour_market.

Within Waikato Region, and across New Zealand, the majority of school leavers in 2006 left school with Level 1 and Level 2 NCEA qualifications (see Chart 5). These categories include school leavers with more than no qualifications but less than a Level 3 NCEA qualification. Of those students that left school in Waikato Region with some NCEA attainment, more left with less than a Level 2 NCEA qualification, than with Level 2 NCEA or above. The pattern that can be observed from the Waikato data is that, the more rural the TA, the lower the share of NCEA Level 3 and above qualifications gained by school leavers. This pattern may partially be explained by the work available in the district. It is likely that, if the work that is available within the district does not require university training, the motivation to obtain these qualifications will be lower.

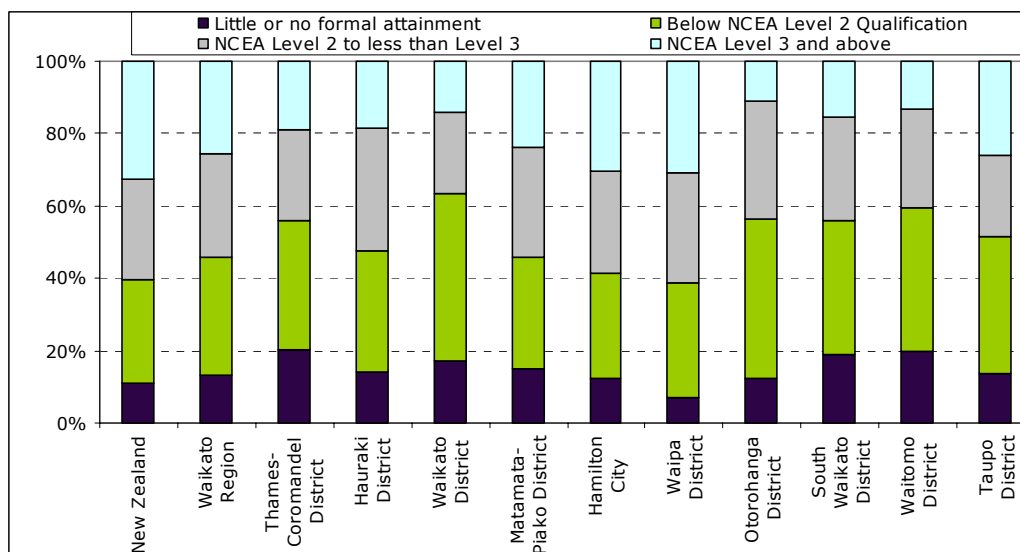
Trades training has a strong focus within parts of Waikato Region. Hauraki District Council has announced its intent to roll out a TAG (Mayors Taskforce Apprenticeships Group) process similar to that already in place in Otorohanga. The council notes that, by providing the opportunity for trade training in the area, they retain local skills. Work is currently underway (in association with Ministry of Social Development, MTFJ and WINTEC) to develop the opportunities for more apprenticeships within the area¹⁴. Otorohanga has the Otorohanga Trades Training Centre, a partnership with WINTEC, which is a 56-hectare facility purpose built for trades training. The facility includes specialist workshops for automotive, carpentry, joinery, plumbing, mechanical engineering and heavy diesel training.

In TAs that contain tertiary training establishments (like Hamilton City), the relative familiarity of school students with these facilities may increase the likelihood that the school students would want to attend and therefore gain higher qualifications. It is also likely that these students will tend to live in the areas where occupations requiring such qualifications are more prevalent or more in use. Throughout New Zealand, TAs with universities had a higher than average share of school leavers with higher school leaver qualifications. It is reasonable to assume that the factors outlined above are at least partially responsible for this pattern.

There were just fewer than 5,400 school leavers in the TAs measured within the Waikato Region in 2006. Of this figure, 44% of school leavers were in Hamilton City with another 17% in Waipa District. Otorohanga and Waitomo Districts each had less than 100 school leavers in 2006.

¹⁴ Hauraki District Council News, April 15 2008 – <http://www.hauraki.dc.govt.nz/documents/publications/hdcnews/2008/April/HDCnews150408.pdf>.

Chart 5: School leavers in Waikato Region in 2006



Source: School Leaver Statistics, Ministry of Education

What is your view of the TA-based school leaver statistics – do local school leavers need higher qualifications? Are the school leaver qualification results adequate for youth in Waikato Region and the employers in the region? Are there any projects in place with school leavers to ease transition into the workforce and/or into further education?

2.2 Study and labour force status

While the qualifications of school leavers are an important variable, the ongoing levels of training are a better indicator of the skills most immediately available to employers in a region. Young people can be working, in education, doing a mixture of both or doing neither. This analysis identifies, at a TA level, the labour force status of young people in Waikato Region.

The quality of youth transitions into the labour force is a topic receiving much attention both in New Zealand and internationally. Recently, the government released the Schools Plus strategy¹⁵. Amongst other targets, it includes the requirement for all young people up to the age of 18 to be in some form of recognised training, whether or not they are also in employment. This programme will be targeting young people who are not in education or employment as well as those solely in employment. These groups are shown in Charts 7 and 8.

Because of the importance of this transitional phase, the Ministry of Social Development has developed the Youth Transition Services programme. "Youth Transition Services (YTS) assists young people as they transition from school to further education, training, work or other activities that contribute to their long-

¹⁵ <http://www.beehive.govt.nz/release/significant+benefits+schools+plus>.

term independence and wellbeing. YTS works with local providers giving support to young people through further education, training or other activities. Each Youth Transition Services provider has experience in working with young people and helping them make good choices for the future.”¹⁶

There are two YTS sites in the Waikato – in Hamilton and Ngaruawahia. Specific information on these two YTS sites is available from <http://www.sussed.co.nz>.

The Ministry of Social Development is involved in the provision of a range of services available to youth in Waikato. These services¹⁷ include:

- Forward Focus – Employment Connections for Youth – a mentoring, motivational training and placement service for youth who are joint clients of Work and Income, Justice and/or Mental Health in Huntly, Ngaruawahia and Hamilton
- Migrant Youth Placement – motivation and job search assistance for migrant and refugee youth by a Somali provider, mainly for Somalian clients but not exclusively, which is available across the Waikato
- Manaaki Tangata (Foundation Skills for Life) – 15 weeks of basic fishing, bush and forestry skills, and teaching and fostering of customs, cultural values and traditions of rangitahi connected to the Waikato River, which is Huntly and Ngaruawahia based
- Kia Tu Leadership Programme – leadership development for Māori and Pacific secondary students across the Waikato
- Work Ready – a 12-week youth development and support programme in Hamilton, which leads to employment, and once employed, they receive 6 months of in-work support¹⁸
- at-risk youth service – where each participant takes part in a selection of 40 available modules that identify barriers/limitations, devises strategies to overcome these, gains licences and a CV, and gets referred to other services as required. Once in employment they receive 6 months in-work support. This service is available in the Matamata-Piako District.

Over recent years, the share of young people in New Zealand who are not engaged in employment, education or training (generally referred to as NEET) has been monitored as an indicator of youth engagement in training and employment. Those youth who are categorised as NEET are disengaged from both formal learning and work and, as such, are considered to be missing the opportunity to develop their potential at an age that heavily influences future outcomes.

“Not all young people who experience a period of inactivity are at risk of adverse outcomes. However, those who are inactive for prolonged periods of time have a heightened risk of poor outcomes, including: lower earnings; greater reliance on social assistance; and higher rates of unemployment, criminal offending,

¹⁶ <http://www.winz.govt.nz/get-assistance/youth-transition-services.html>.

¹⁷ List of services provided by Ministry of Social Development Regional Contracts Manager.

¹⁸ For more information, see the Hamilton City Council website – <http://www.hamilton.co.nz/page/pageid/2145834695>.

substance abuse, teenage fertility, suicide, homelessness and mental or physical ill health.”¹⁹

The NEET measure has had a particular focus within the Mayors Taskforce For Jobs²⁰ (MTFJ) programmes. The MTFJ has a target “...that all young people under 25 years be in paid work, in training or education, or in productive activities in our communities...”²¹

NEET can be calculated from both the Population Census and from the Household Labour Force Survey (HLFS). Results from these two sources can vary. For more information about these differences, refer to the Data Dictionary.

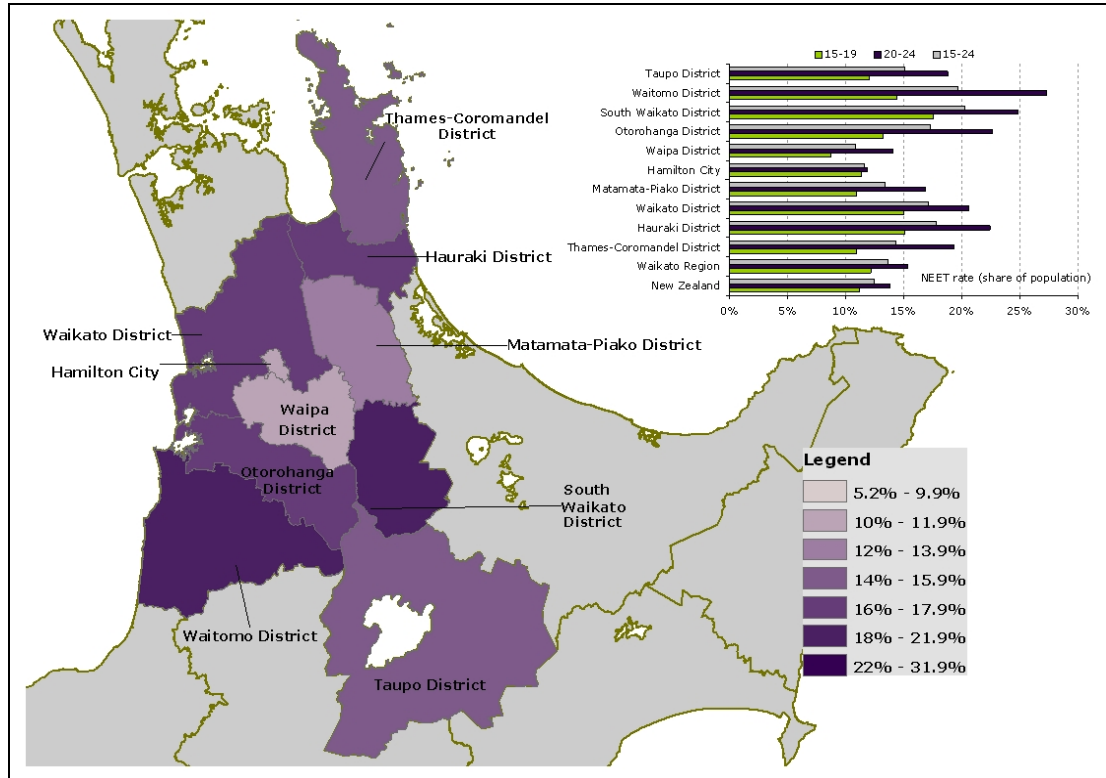
Data for Waikato Region shows that the proportion of youth who were NEET was marginally higher than the national average of 12.5% (see the grey bar in Chart 6). While data for Waikato Region was quite similar to the national average, an interesting pattern can be seen when comparing the different districts of Waikato Region (see Charts 6 to 8). Amongst other patterns, there was a clear urban-rural split. The darkest purple shading in Chart 6 identifies that the NEET rates were highest in South Waikato and Waitomo Districts, and these generally coincided with the relatively high rates of unemployment in these districts.

19 Youth Transitions Report Series 2003 – Executive Summary, *Key Findings on Youth Transitions*, Ministry of Social Development, p3.

20 See the Mayors Taskforce For Jobs website – <http://www.mayorstaskforceforjobs.co.nz>.

21 http://www.mayorstaskforceforjobs.co.nz/background/mtfj_objectives.php.

Chart 6: NEET rates for youth in Waikato Region in 2006

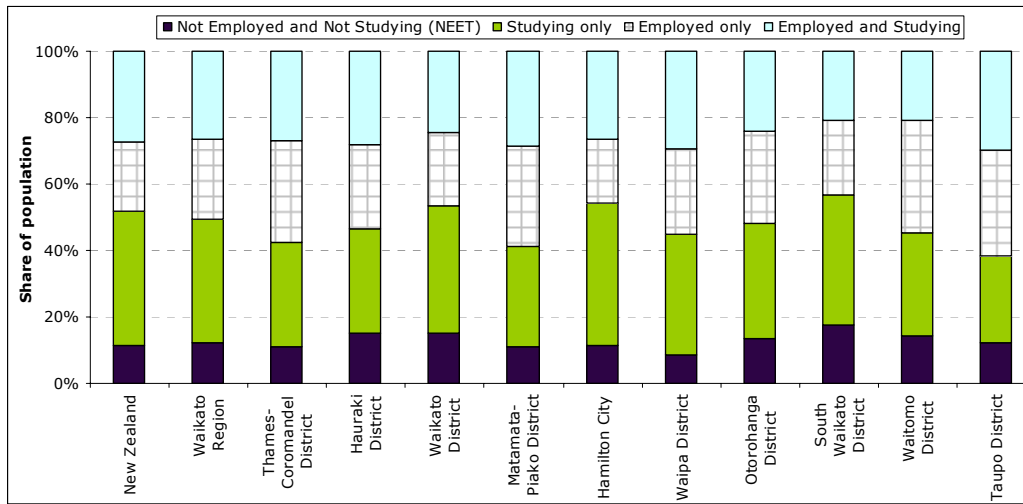


Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Chart 7 and Chart 8 show the study and labour force status of youth, split into two age groups. As can be seen from a comparison of the two charts, there were major differences between the labour force status of those aged 15–19 and those aged 20–24.

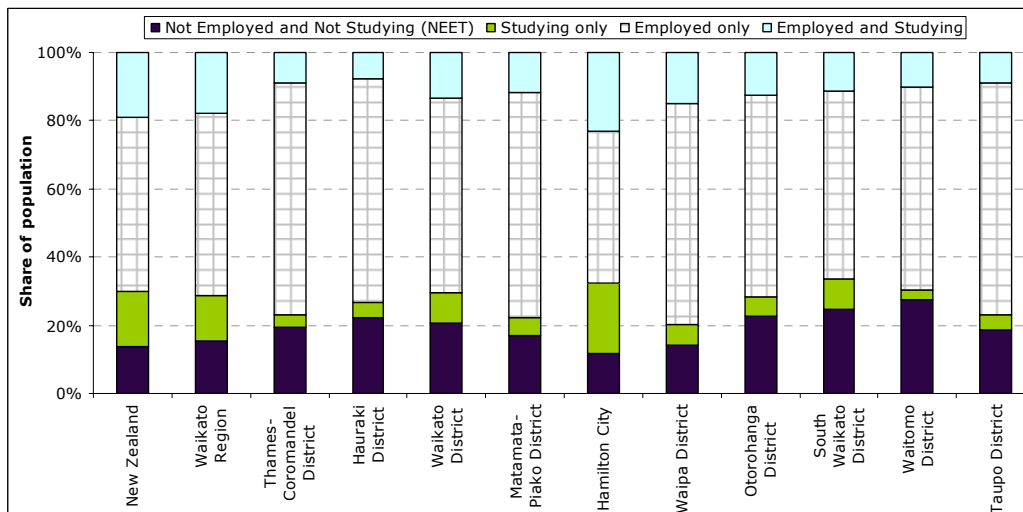
As shown by Chart 7, around 11% of 15–19 year olds in New Zealand in 2006 were categorised as NEET, with around another 40% in study. Half of all people aged 15–19 were working either with or without studying. Chart 8 shows that a much higher proportion of people aged 20–24 (15% of them) were categorised as NEET with a much smaller proportion only studying. Much of this difference in study rates is due to the requirement for people aged 15–17 to be enrolled in school. Nationally and across Waikato Region, around half of 20–24 year olds were in work and not studying (see hatched bar segments in Chart 8). The remaining categories were less consistent. Nationally, and in Waikato Region and Hamilton City, around 20% of 20–24 year olds were in employment and studying in 2006, while the remaining TAs had rates noticeably lower.

Chart 7: Study and labour force status of 15–19 year olds in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Chart 8: Study and labour force status of 20–24 year olds in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

It is important to note that results from the Census frequently differ from similar analysis conducted using data from the Household Labour Force Survey (HLFS). For more information about these differences, refer to the Data Dictionary.

Employment and education status differed considerably by ethnic group in New Zealand. Nationally, Māori and Pacific youth were much more likely than European and Asian youth to not be engaged in education or employment – 20% of Pacific peoples aged 15–17 were not engaged in education or employment compared to 18% of Māori, 8% of Europeans and 7% of Asians. Rates of those not engaged in education or employment increased substantially by age for both Māori and Pacific youth but remained relatively stable for European and Asian youth.

The monitoring of youth as they transition away from attending school is seen as a priority within Waikato. The Hamilton City Economic Development Strategy has identified the need for a school leavers tracking survey for the city, and if progressed, this is likely to be one of the key flagship projects of the strategy.

Is the rate of young people not in employment, education or training a significant issue in your area? If so, what projects are underway to address it? Are local projects targeted at the younger age group (15–19 years) or the older cohort (20–24 years)?

2.3 Highest qualifications

The highest qualification gained is another indicator of the skills available in the labour market. The highest qualification data for young people is subject to change, as many of these people are still in training. This means that, over time, the highest qualification is likely to increase, moving from the Total School²² category in Table 4 and into higher qualifications. Although this data cannot be readily compared to the total population because youth qualifications are still being attained, interesting differences for youth can be observed within each region and compared to the national average. A table summarising highest qualification levels of the working age population in Waikato Region is provided in Appendix 2.

Overall, youth in Waikato Region had a higher than average rate of holding little or no formal qualifications, and there was a correspondingly lower than average share of youth with bachelor degrees or higher. Within Waitomo and South Waikato Districts, around twice as many youth had no qualifications compared to the national youth average. Hamilton City and Taupo District both had levels of vocational training qualifications amongst youth above the national and regional average, while Waitomo and Hauraki Districts both had relatively low rates of these qualifications. Waikato Region had a noticeably lower rate of degree qualifications amongst youth, with only Hamilton City having a rate of degree attainment above the national youth average. In Otorohanga, Hauraki and South Waikato Districts in particular, the rate of youth degree attainment was particularly low. As mentioned in earlier parts of Section 2, the pattern in this data is that, the more rural the district, the lower the qualification attainment of youth.

22 For more information about the contents of these categories, please see the Glossary of Terms.

Table 4: Highest qualification of youth in Waikato Region in 2006

	No Qualification	Total School	Total Post- School (Vocational)	Total Bachelor Degree or Higher
New Zealand	17.0%	54.6%	17.8%	10.7%
Waikato Region	20.0%	54.0%	17.7%	8.3%
Thames-Coromandel District	25.8%	53.6%	16.1%	4.6%
Hauraki District	27.6%	54.7%	14.4%	3.2%
Waikato District	22.5%	55.5%	16.2%	5.9%
Matamata-Piako District	26.1%	53.1%	16.6%	4.2%
Hamilton City	13.0%	54.5%	19.4%	13.0%
Waipa District	20.9%	56.9%	16.8%	5.4%
Otorohanga District	26.7%	53.4%	17.2%	2.7%
South Waikato District	31.1%	48.9%	16.3%	3.6%
Waitomo District	34.9%	48.3%	12.9%	3.8%
Taupo District	27.3%	49.1%	18.7%	4.9%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

The subject area of study (generally referred to as 'field of study') for youth is another important indicator of the skills recently made available or soon to be added to a labour market and indicates the discipline in which qualifications have been achieved. Population Census data shows the field of study of youth who have entered post-secondary study and allows a comparison to be made of studying patterns of youth in Waikato Region against the studying patterns of youth in New Zealand in general. Nationally, 58.5% of 20–24 year olds had no post-school qualifications as measured by the Population Census in 2006. Table 5 shows the distribution of qualification gathering by 20–24 year olds who have reported a post-school qualification. Data for 15–19 year olds is excluded from the table as they are far less likely to have participated in post-school study.

As shown in Table 5, 20–24 year olds in Waikato Region tended to have very similar patterns of post-secondary study to that of 20–24 year olds across New Zealand. A slightly higher proportion studied Agriculture, Environmental and Related Studies, perhaps reflecting regional demand, while slightly lower proportions studied Management and Commerce, Society and Culture, and Creative Arts.

Table 5: Distribution of post-school qualifications of 20–24 year olds in 2006

	Proportion of each field of study for 20–24 year olds	
	Waikato Region	New Zealand
Natural and Physical Sciences	4.6%	4.8%
Information Technology	6.9%	7.3%
Engineering and Related Technologies	13.8%	11.4%
Architecture and Building	6.1%	4.8%
Agriculture, Environmental and Related Studies	5.7%	3.2%
Health	6.9%	6.2%
Education	5.3%	5.1%
Management and Commerce	21.3%	23.6%
Society and Culture	11.9%	14.3%
Creative Arts	7.8%	10.6%
Food, Hospitality and Personal Services	9.7%	8.7%
Total	100.0%	100.0%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Within Waikato Region, there are a range of processes underway to strengthen the link between youth and employment and training. A recent example of this was the Get a Life May '08 careers month in May 2008. Youth were one of the key focus groups of this initiative, which encompasses 46 events across Waikato Region, ranging from open days at local hospitals, engineering firms and educational institutes, and careers guidance. The initiative was a joint partnership between:

- Mayors Taskforce For Jobs
- Careers Practitioners Association of New Zealand
- Career Services
- Choosing Futures Waikato
- Department of Labour
- Skillwise Katolyst
- Waikato Enterprise Agency²³.

As part of the careers month, Tuesday 20 May was the 14th annual Workchoice Day. On the Workchoice Day, "250 companies across the country set aside the day to give 6,500 Year 12 students a bit of help, aiming to expose them to a range of careers and propel them into their futures. Workchoice Day gives students the opportunity to spend the day at two organisations in an industry in which they have an interest. Various staff members at the organisations talk to the students about what their jobs involve, how they got there, their education and background and anything they might have done differently."²⁴ Various organisations within Waikato participated in this work, including the Ministry of Social Development and the Department of Labour.

Does the highest qualification and field of study data for young people in the region match what is needed by industry? If not, where are the mismatches, and what is being done to better align qualifications with industry needs?

23 This programme is outlined further on the project website – <http://www.getlifewaikato.co.nz>.

24 Taken from the Workchoices website, 21 May 2008 – <http://www.workchoice.co.nz/>.

3. LABOUR MARKET OUTCOMES

The previous section outlined the skill development of youth in Waikato Region. This section looks at the labour market outcomes for youth in Waikato Region.

Section 3.1 looks at the rate of labour force participation for youth as well as identifying causes for the change in participation over time. Section 3.2 identifies the industries and occupations in which youth are employed, as well as how this has changed over time. It also looks at the size of businesses that youth are employed in and how the pattern of full-time and part-time employment changes for youth. Section 3.3 looks at youth unemployment across the region, and Section 3.4 looks at the income of youth.

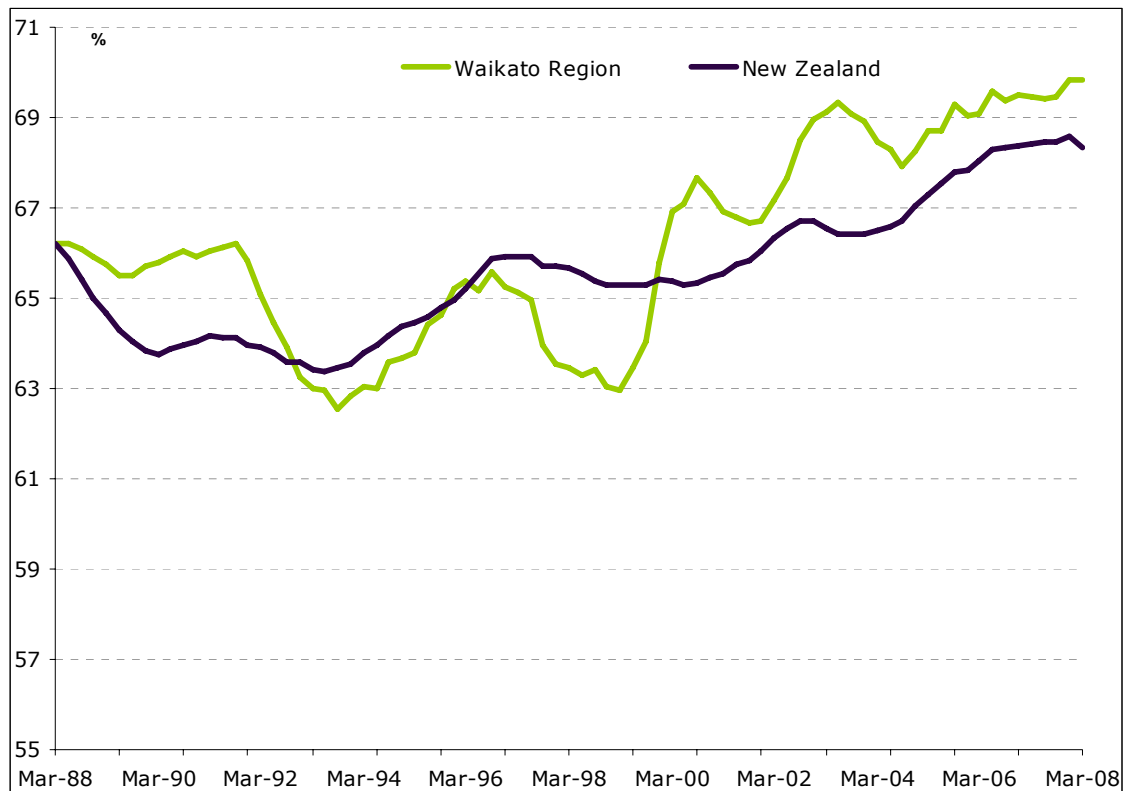
3.1 Labour force participation

The labour force participation rate is the proportion of the working-age population (people 15 years old and above) who are willing to work, are working or are actively looking for work, i.e. engaged in the labour force. As it is common for many 15–24 year olds to be involved either in school education or further education, the participation rate for this age group tends to be lower than for other age groups. Over the past decade, there has been a national trend towards lower participation among 15–24 year olds as increasing proportions engage in further study. This is positive over the longer term as those furthering their education are investing in skills to bring to the labour market in future.

The annual average labour force participation rate for all ages in Waikato Region has been in line with the New Zealand average since comparable records began in the mid-late 1980s (see Chart 9). It has also been slightly above the national average since the beginning of 2000, and at March 2008, stood at 69.8% compared to the national average of 68.4%.

For information about the latest labour force participation rate in Waikato Region, check out the Joint MSD/DoL Quarterly Regional Reports – <http://www.dol.govt.nz/publications/lmr/regional/joint/lmr-regional-wai.asp>.

Chart 9: Labour force participation rate for the working-age population from 1988 to 2008 (12-month moving average)

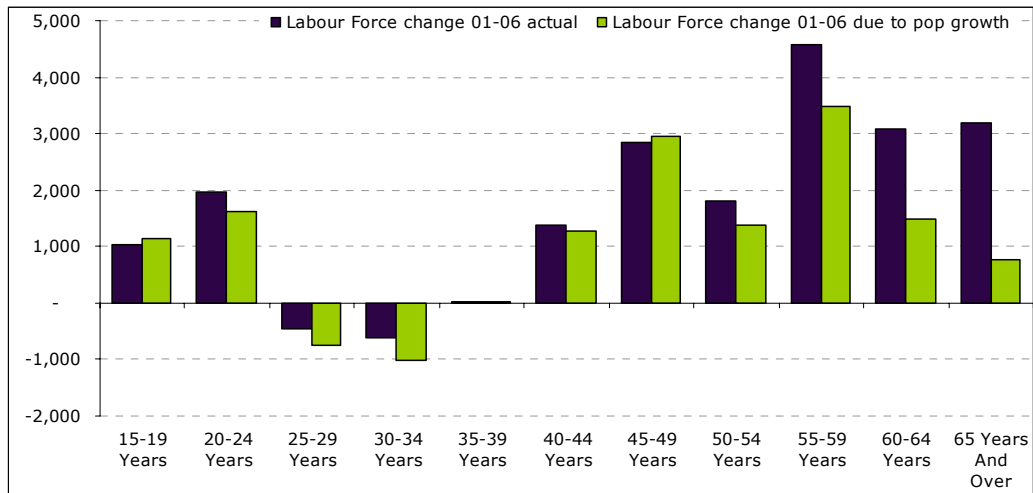


Source: Household Labour Force Survey, Statistics New Zealand

Chart 10 shows the change in the actual number of people in the labour force between 2001 and 2006 and the influence that population growth and participation ages has had. Where the two bars for each age group are at different levels, the difference is caused by a change in the rate of labour force participation. It can be seen that the increase in the number of 15–19 year olds in the labour force over the period was actually less than would be expected when looking at the overall increase in numbers of 15–19 year olds in Waikato Region (the purple bar is smaller than the green bar). For 15–19 year olds, a lower labour force participation rate caused the big growth in population to translate to a smaller growth in the labour force. For 20–24 year olds, the change in the actual number of those in the labour force was fairly consistent. It is notable that, over the period, the number of 25–34 year olds living in Waikato Region decreased.

While not the subject of this report, Chart 10 shows that the growth in the Waikato labour force participation rate (seen in Chart 9) was caused by older people participating in the labour force more.

Chart 10: Labour force change in Waikato Region



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Table 6 shows how changes in the youth population and youth labour force combine to determine the youth participation rate. As can be seen from Table 6, if the youth labour force increases at a rate greater than the youth population (see Hauraki District as an example), the participation rate increases. Conversely, if the youth population grew faster than the labour force, the participation rate fell (see Waikato District as an example).

As with the overall labour force participation rate in Waikato Region, the youth participation rate for Waikato Region in 2006 was slightly above the New Zealand average for youth. A number of TAs within the region had youth participation rates significantly above the national and Waikato Region average (for example Taupo and Matamata-Piako Districts) while South Waikato and Otorohanga Districts had the lowest rates within Waikato Region.

Table 6: Change in the regional youth labour force 2001 to 2006

	Change in 15–24 year olds (2001– 2006) ²⁵	Participation rate (%)		Change in the 15–24 year old labour force population (2001–2006)
		2001	2006	
New Zealand	11.9%	66.7%	66.4%	11.4%
Waikato Region	8.4%	67.7%	68.3%	9.3%
Thames-Coromandel District	15.5%	71.9%	71.6%	15.1%
Hauraki District	10.2%	69.0%	69.7%	11.4%
Waikato District	10.4%	64.4%	64.5%	10.6%
Matamata-Piako District	8.5%	71.2%	72.8%	10.9%
Hamilton City	11.9%	66.6%	67.2%	12.9%
Waipa District	2.7%	68.9%	71.0%	5.7%
Otorohanga District	-2.6%	65.0%	63.3%	-5.1%
South Waikato District	-4.1%	66.9%	63.1%	-9.5%
Waitomo District	-1.6%	67.6%	67.4%	-2.0%
Taupo District	4.1%	71.4%	73.8%	7.6%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

What is your view of the level of the participation rate – do you think it should be lower as long as the people are engaged in education and furthering their skill development?

3.2 Employment

Employment by business size

This section looks at the proportion of young people working in varying sizes of businesses in the regional economy (in terms of the number of people they employ). By looking at employment disaggregated by business size, we can identify important characteristics. For example, if youth are heavily clustered in large businesses, one-off closures can cause significant numbers to be potentially unemployed. Conversely, employment in major businesses may have more funding available for formalised training opportunities for staff than small businesses. The OECD reports that, internationally "...employees from small and medium enterprises (SMEs) are less likely to participate in training programmes than employees in large enterprise."²⁶

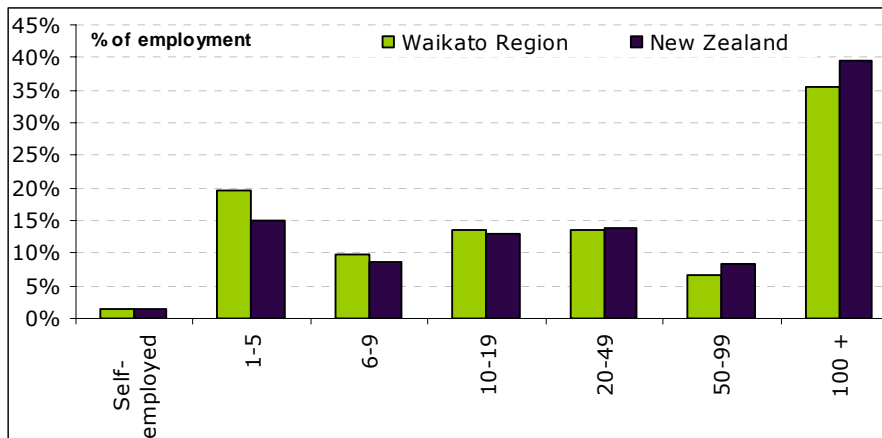
The pattern of those aged 15–24 in Waikato Region was very similar to the general picture for those employed in Waikato Region. Chart 11 shows that 44% of employees aged 15–24 worked in businesses that employed fewer than 20 people (above the national average for all 15–24 year olds at 38%), while 35% of 15–24 year old workers worked in firms employing 100 or more people (below the national average for all 15–24 year olds at 39%). These proportions have stayed relatively stable since 2000, although there has been a slight increase in

²⁵ Note that the change between 2001 and 2006 shown here will differ from that shown in Table 1. In Table 6, the calculation excludes any people who did not define their labour force status.

²⁶ See "Leveraging Training and Skills Development in SMEs", 52nd Session, 9-10 June 2008, OECD, Paris.

the proportion of 15–24 year olds working in larger firms in Waikato Region, which has mirrored the changes of 15–24 year olds in New Zealand as a whole.

Chart 11: Share of employment (15–24 years) in Waikato Region and New Zealand by business size in 2006



Source: Linked Employer-Employee Dataset (annual tables), Statistics New Zealand, 2006 tax year

While the regional analysis is very similar to the national profile, more variation in business size can be seen at a Territorial Authority level (see Table 7). In Hamilton City in 2006, 44% of those aged 15–24 in employment worked in businesses employing 100 people or more. The next highest proportions of youth employed in large businesses were in Waikato and Waitomo Districts at around 33%. The lowest was Otorohanga District at 24%. Within Waikato Region, there was a higher than average share of youth employed in small businesses. The only TA in Waikato Region where the proportion of youth working in businesses with 1–5 workers was below the New Zealand average was Hamilton City. All the other TAs in Waikato had above average proportions of employment of 15–24 year olds in businesses of between 1–5 employees.

Table 7: Employment (15–24 year olds) by business size in 2006

	Self-employed	1–5	6–9	10–19	20–49	50–99	100+
New Zealand	1.5%	14.9%	8.7%	13.0%	14.0%	8.5%	39.4%
Waikato Region	1.5%	19.6%	9.8%	13.4%	13.7%	6.7%	35.3%
Thames-Coromandel District	1.8%	25.5%	13.6%	16.9%	9.7%	6.6%	25.9%
Hauraki District	1.5%	28.2%	11.3%	12.7%	11.3%	3.9%	31.3%
Waikato District	2.0%	20.5%	10.3%	11.6%	15.4%	7.3%	32.8%
Matamata-Piako District	2.0%	25.1%	9.3%	13.1%	13.0%	5.1%	32.4%
Hamilton City	1.1%	14.0%	8.4%	12.5%	13.6%	6.7%	43.7%
Waipa District	2.3%	23.2%	11.1%	15.5%	14.3%	5.8%	27.9%
Otorohanga District	1.7%	29.1%	9.0%	13.5%	14.0%	8.6%	24.0%
South Waikato District	1.5%	21.9%	10.8%	12.7%	14.3%	6.5%	32.4%
Waitomo District	0.8%	23.5%	6.8%	14.7%	14.5%	6.6%	33.1%
Taupo District	1.5%	20.9%	13.1%	16.4%	13.9%	7.1%	27.0%

Source: Linked Employer-Employee Dataset (unpublished annual tables), Statistics New Zealand, 2006 tax year

Number of jobs held

Across New Zealand, around 6% of 15–24 year olds had more than one job²⁷ in 2006. This was slightly above the proportion for all age groups, which stood at 5%. The proportion of 15–24 year olds in Waikato with more than one job was marginally less than the national average at 5% (with a range of 4% in South Waikato District to 6% in Taupo District).

Employment by industry and occupations

This section looks at the number of young people working across the various industries and in occupations in Waikato Region and the changes that have occurred since 2001. This shows in which industries and occupations 15–24 year old employees were mainly employed and identifies the changing composition of employment in different industries and occupations.

Between 2001 and 2006, 16% more 15–24 year olds were in employment in Waikato Region, growing faster than the 10% growth in population. After excluding the smallest industries, the construction industry showed the largest increase in the employment of 15–24 year olds with a near 90% increase between 2001 and 2006.

While youth employment in retail trade and accommodation, cafes and restaurants is consistently high across New Zealand and in Waikato region, the majority of youth employment in these two industries was part time. Contrasting this, youth employed in Manufacturing were almost entirely working full time in 2006.

A detailed version of Table 8 showing industry employment for 15-19 and 20-24 year olds residing in Waikato Region is provided in Appendix 2. A table showing youth industry employment nationally is also provided in Appendix 2.

27 Source: Linked Employer-Employee Dataset (unpublished annual tables), Statistics New Zealand.

Table 8: Industry employment of those living in Waikato Region in 2006, and change from 2001

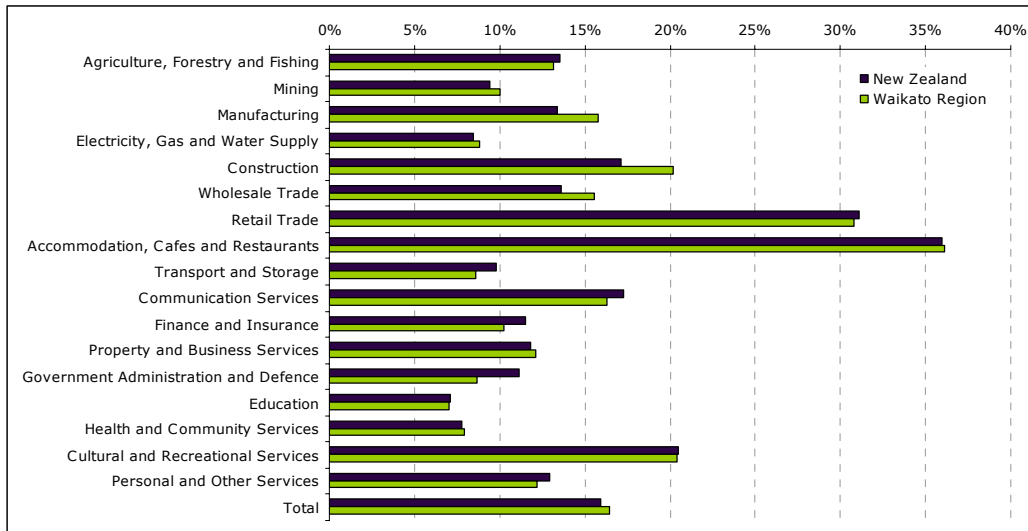
	2006		Change since 2001	
	15–24 Years	15 Years and Over	15–24 Years	15 Years and Over
Agriculture, Forestry and Fishing	3,036	23,112	-12.9%	-5.9%
Mining	87	867	190.0%	32.6%
Manufacturing	3,318	20,994	7.3%	6.9%
Electricity, Gas and Water Supply	81	915	12.5%	2.0%
Construction	3,090	15,324	88.6%	47.5%
Wholesale Trade	1,260	8,109	23.2%	17.4%
Retail Trade	6,885	22,329	10.4%	11.3%
Accommodation, Cafés and Restaurants	3,186	8,826	24.1%	16.3%
Transport and Storage	498	5,796	12.2%	16.0%
Communication Services	294	1,803	-1.0%	4.2%
Finance and Insurance	375	3,657	38.9%	18.1%
Property and Business Services	2,319	19,125	29.7%	35.6%
Government Administration and Defence	414	4,770	16.0%	9.8%
Education	936	13,248	5.1%	6.5%
Health and Community Services	1,206	15,165	21.1%	16.4%
Cultural and Recreational Services	858	4,200	6.3%	26.9%
Personal and Other Services	828	6,798	2.2%	14.0%
Not Elsewhere Included	1,863	10,653	21.8%	15.3%
Total	30,537	185,688	15.9%	13.9%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Around 16% of people employed in Waikato in 2006 were aged between 15–24 years, greater than their 14% share of the population. Retail Trade is the industry that the most 15–24 year olds in Waikato Region were employed in. The next three industries that had the largest shares of 15–24 year olds were Manufacturing, Accommodation, Cafés and Restaurants, and Construction. Nearly 58% of all 15–24 year olds worked in one of these top four industries.

The distribution of 15–24 year olds employed across industries in Waikato Region was very similar to the pattern for New Zealand as a whole for youth (see Chart 12). Over 30% of all those employed in Accommodation, Cafés and Restaurants, and Retail Trade in Waikato Region in 2006 were 15–24 year olds. Only the Construction and Manufacturing industries had an appreciably larger proportion of 15–24 year olds working in them than the national average.

Chart 12: Youth share of industries in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

The most common occupation for 15–24 year olds was Service and Sales Workers, as might be expected with just over 26% of 15–24 year olds employed in the Retail Trade industry. Table 9 shows that the only occupation to show a decline in numbers of 15–24 year olds working in it between 2001 and 2006 was Agriculture and Fishery Workers. Technicians and Associate Professionals and Trades Workers showed the largest increases over the period, at 55% and 53% respectively. Table 9 also shows that younger people experienced higher than average growth in highly skilled occupations (the first three occupations in the table).

A detailed version of Table 9 showing employment by occupation for 15-19 and 20-24 year olds residing in Waikato Region is provided in Appendix 2. A table showing youth employment by occupation nationally is also provided in Appendix 2.

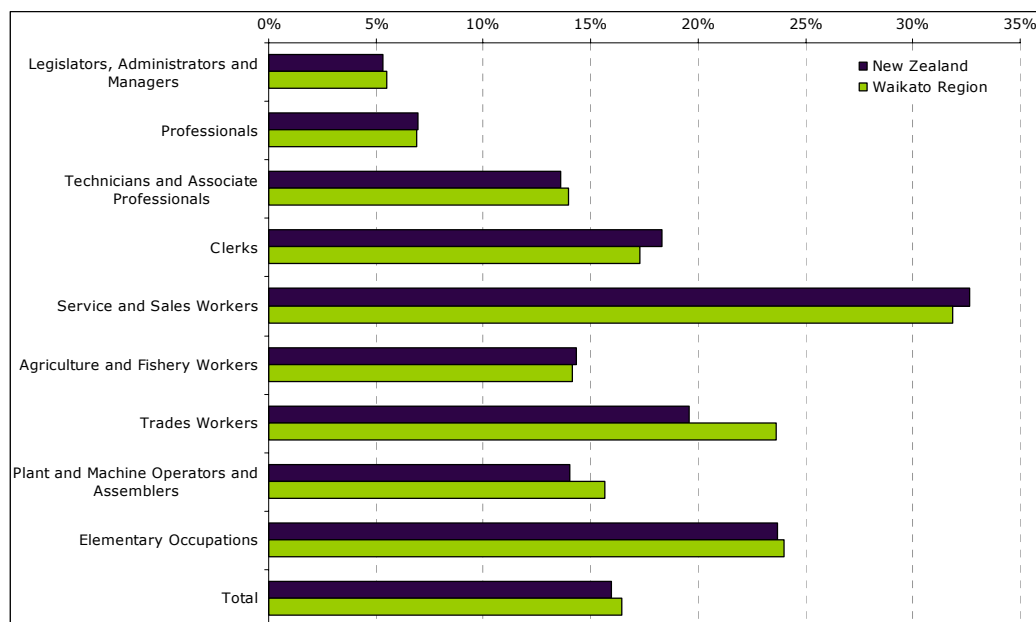
Table 9: Employment by age and occupation in Waikato Region in 2006

	2006		Change from 2001	
	15–24 Years	15 Years and Over	15–24 Years	15 Years and Over
Legislators, Administrators and Managers	1,293	23,385	46.6%	29.8%
Professionals	1,614	23,502	29.0%	21.3%
Technicians and Associate Professionals	2,745	19,647	55.1%	30.5%
Clerks	3,186	18,432	0.9%	4.5%
Service and Sales Workers	7,578	23,766	7.0%	8.8%
Agriculture and Fishery Workers	3,063	21,618	-12.4%	-6.2%
Trades Workers	4,014	16,968	53.1%	20.9%
Plant and Machine Operators and Assemblers	2,571	16,446	19.4%	8.9%
Elementary Occupations	2,724	11,349	15.7%	19.3%
Not Elsewhere Included	1,737	10,569	10.9%	13.0%
Total	30,537	185,688	15.9%	13.9%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Chart 13 shows the proportion of each occupation’s employees that were aged 15–24 in 2006. For example, the share of the Clerks occupation provided by 15–24 year olds was 17% of the total employment. The distribution of 15–24 year olds by occupation in Waikato Region was also very similar to the pattern for New Zealand as a whole for youth (see Chart 13). Only in Trades Workers did Waikato Region have an appreciably larger proportion of 15–24 year olds working than the national average.

Chart 13 Youth share of occupations in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Do the occupations of youth data match your experience? Do you think the pattern of employment could be improved – would intervention help? Are there any current interventions in place in Waikato Region?

One of the ways in which employment patterns of youth vary from that of the working-age population is the rate at which young people work in part-time employment. This characteristic is also one that changes markedly between 15–19 year olds and 20–24 year olds, as shown in Table 10. For young people aged 15–19, part-time employment accounted for around half of all employment. With young people currently required to be in education until the age of 16, the low incidence of full-time employment is expected. This corresponds with the industry and occupation data above, which shows employment in areas with a high incidence of part-time employment (such as Retail Trade, and Accommodation, Cafés and Restaurants).

The pattern of 20–24 year olds was quite different. In this age group, full-time employment accounted for around 80% of all employment. For 20–24 year olds, much of the formal training is completed, and young people are moving into careers. It can be seen from Table 10 that the share of full-time employment for 20–24 year olds was generally greater than for the working-age population as a whole. Because the working-age population has no upper age limit and older workers are far more likely to work part-time, the share of full-time workers in the working-age population was lower than might otherwise be expected.

Table 10: Employment status by age in Waikato Region

	15–19 Years		20–24 Years		15 Years and Over	
	Percentage working full-time	Percentage working part-time	Percentage working full-time	Percentage working part-time	Share of full-time employment	Percentage working part-time
New Zealand	44.5%	55.5%	76.7%	23.3%	77.1%	22.9%
Waikato Region	49.1%	50.9%	78.4%	21.6%	76.7%	23.3%
Thames-Coromandel District	52.5%	47.5%	84.2%	15.8%	72.2%	27.8%
Hauraki District	49.5%	50.5%	87.2%	12.8%	74.1%	25.9%
Waikato District	47.9%	52.1%	83.4%	16.6%	77.1%	22.9%
Matamata-Piako District	53.2%	46.8%	87.1%	12.9%	76.7%	23.3%
Hamilton City	45.0%	55.0%	72.2%	27.8%	77.3%	22.7%
Waipa District	49.3%	50.7%	83.1%	16.9%	77.6%	22.4%
Otorohanga District	54.8%	45.2%	79.3%	20.7%	75.0%	25.0%
South Waikato District	51.3%	48.7%	84.0%	16.0%	76.6%	23.4%
Waitomo District	60.7%	39.3%	84.3%	15.7%	77.2%	22.8%
Taupo District	52.2%	47.8%	86.5%	13.5%	76.3%	23.7%

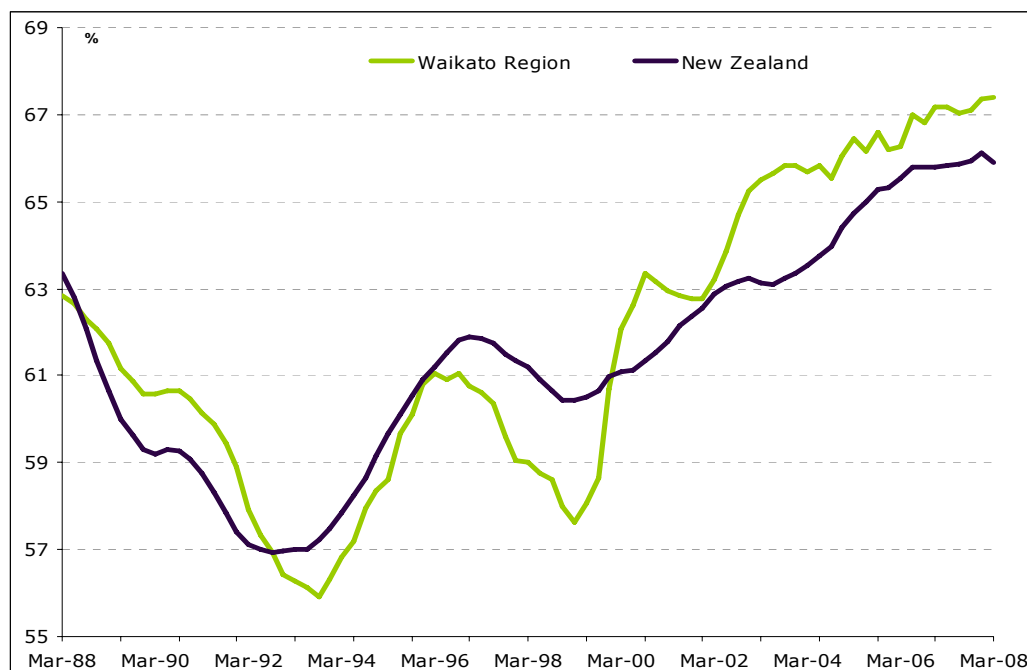
Source: 2006 Census of Population and Dwellings, Statistics New Zealand

What is driving the pattern of full-time/part-time youth employment in your region? Do you believe this pattern has changed/will change over time? Is this a good thing?

The employment rate²⁸ is an important indicator of the economic welfare of the country. Work leads to higher income, which, over time, can bring financial independence and a better standard of living and associated social benefits for the individual and wider community. While the employment rate reflects the number of jobs, there are other things to consider, such as the quality and sustainability of jobs. Rising employment is one of the clearest indications that the labour market is working successfully. Over time, as labour shortages increase and participation and employment rates stabilise, labour productivity improvements become increasingly important.

The annual average employment rate in Waikato Region overall has been consistently around the New Zealand average across the time series presented in Chart 14. It has, however, been slightly above the national average since the beginning of 2000, and at March 2008, stood at 67.4% compared to the national average of 65.9%.

Chart 14: Employment rate of the working-age population from 1988 to 2008 (12-month moving average)²⁹



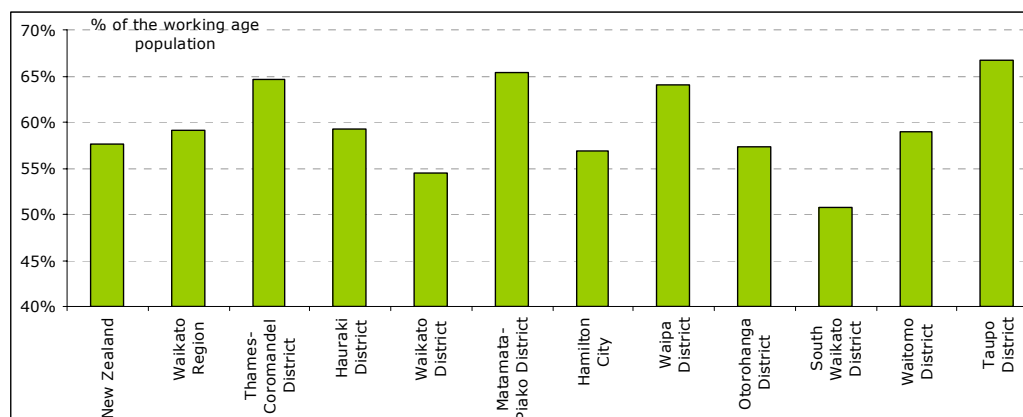
Source: Household Labour Force Survey, Statistics New Zealand

28 The proportion of the working-age population that is employed.

29 Employment rates from the Household Labour Force Survey and Population Census differ. This is a result of the different scope and coverage of the two surveys. For more information, see the Data Dictionary.

Chart 15 shows that the youth employment rate for Waikato Region in 2006 was also slightly above the New Zealand average for youth, though there was some notable variation throughout the region. The youth employment rate in South Waikato District was 51% and the lowest in the region and the only district where the youth employment rate declined between 2001 and 2006. Taupo District had the highest youth employment rate at 67%, having shown the strongest growth in youth employment rates in Waikato since 2001. The TAs with relatively high NEET rates in the region (see Charts 6, 7 and 8) also tend to be those with lower employment rates.

Chart 15: Employment rates of youth in Waikato Region in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

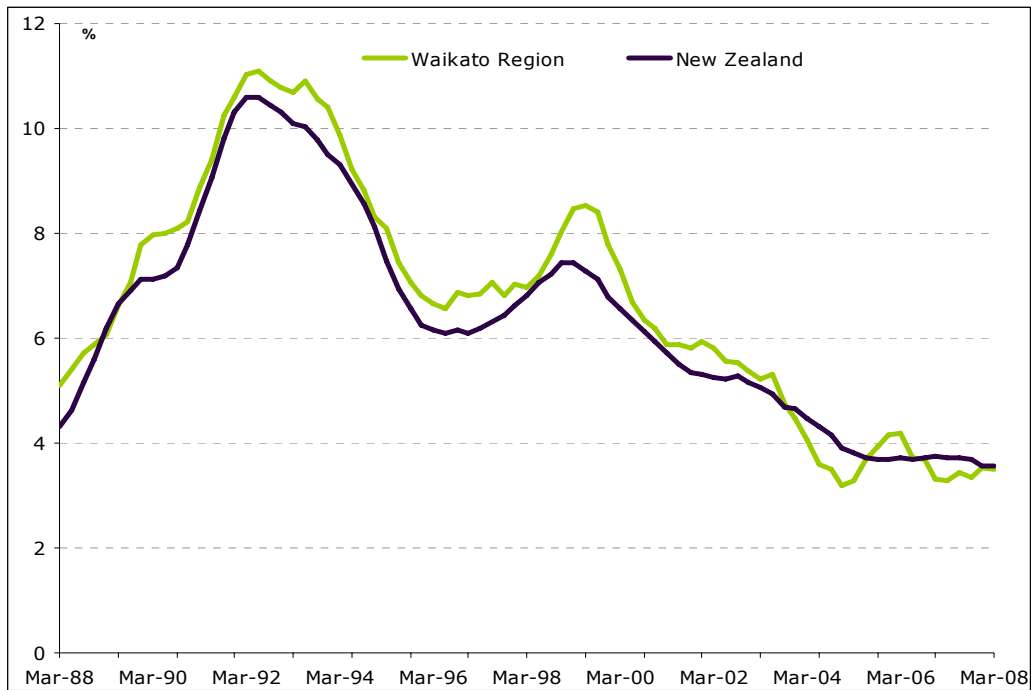
3.3 Unemployment

The unemployment rate is the proportion of the labour force who are unemployed. To be counted as unemployed, a person must be without a paid job, be available for work and have actively sought work in the past four weeks or have a new job to start within the next four weeks. Unemployment has a major influence on many decisions facing young people.

As with the employment rate and the labour force participation rate, the unemployment rate for the total population in Waikato Region has tracked the New Zealand average rate very closely across the time series presented in Chart 16. In the year to March 2008, Waikato Region's unemployment rate was marginally below the national average (as shown in Chart 16).

Unemployment affects the rate at which young people learn work skills such as timeliness, team work and so on that are needed throughout a person's working life. This makes unemployment of youth perhaps even more negative than for the overall population.

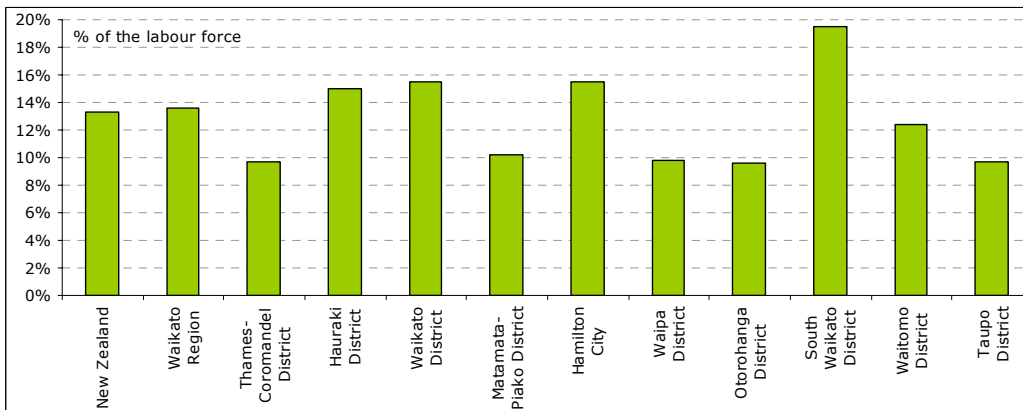
Chart 16: Unemployment rate of the working-age population from 1988 to 2008 (12-month moving average)



Source: Household Labour Force Survey, Statistics New Zealand

Chart 17 shows that the youth unemployment rate in Waikato Region was slightly above the New Zealand average for youth in 2006. Otorohanga, Taupo, Thames-Coromandel and Waipa Districts had the lowest youth unemployment rates at below 10%. South Waikato District, which had the lowest youth labour force participation rate and the lowest youth employment rate, unsurprisingly also had the highest youth unemployment rate – double that of the lowest, at 20%. This was the joint third highest youth unemployment rate in the country in 2006. While the youth unemployment rates were variable across the region, the rate fell in each of the districts between 2001 and 2006.

Chart 17: Unemployment rate of youth in Waikato Region in 2006



Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Around 10% of all those who received unemployment benefits in New Zealand (1,986 people in March 2008) lived in Waikato Region. Of those unemployment beneficiaries in Waikato Region, around 29% were under the age of 24.

For information about the latest unemployment rate in Waikato Region, check out the Joint MSD/DoL Quarterly Regional Reports –

<http://www.dol.govt.nz/publications/lmr/regional/joint/lmr-regional-wai.asp>.

Does the unemployment pattern match what you have seen in the region? If not, why not? What do you think is likely to happen to youth unemployment in the next few years?

3.4 Earnings

Earnings (and, to a smaller extent, total income) are influenced by both the labour market conditions and the productivity of workers. Wages (and earnings) are the result of interactions between employers and workers and are influenced by such things as the skills and experience the workers possess and the value that workers add. It should be noted that low skill jobs generally tend to have low median hourly earnings while high skills jobs generally have higher median earnings.

Across New Zealand, a slightly higher proportion of youth received some income³⁰ from income-tested benefits than other groups, whilst those receiving income from self-employment was significantly lower than the New Zealand average. Looking at data for Waikato Region's 15–24 year olds shows that the only difference from the average for 15–24 year olds in New Zealand was that Waikato Region youth were slightly more likely to receive a benefit.

As reported in the 2007 AIDR, the median hourly wage rate within Waikato Region has been consistently below the national average (although it must be remembered that only Wellington and Auckland tend to have higher than the national median wage rates) and that Waikato's rate was 95% of the national average.

From the Population Census in 2006, 40% of all 15–24 year olds employed in New Zealand had income of \$5,000 or less in 2006, while nearly 30% had income between \$5,000 and \$20,000, and nearly 30% had income over \$20,000³¹. Compared to the national youth average, marginally fewer in Waikato Region had the very low incomes (\$5,000 or less), marginally more earned between \$5,000 and \$20,000 and marginally more earned over \$20,000.

³⁰ It is important to recognise that income can be influenced by other things than salaries and wages. For many people, rental or investment income can contribute a significant share of their income. It is likely that youth are likely to earn less from these other income sources than the rest of the population.

³¹ The data is based on 15–24 year olds who provided their income in the 2006 Population Census.

The Linked Employer-Employee Dataset (LEED) captures data on income from salaries and wages, which shows marked differences by age. Overall, young people tend to have significantly lower incomes than the rest of the working-age population, influenced in part by the high share of part-time youth employment described in Section 3.1. Other reasons for lower than average earnings are:

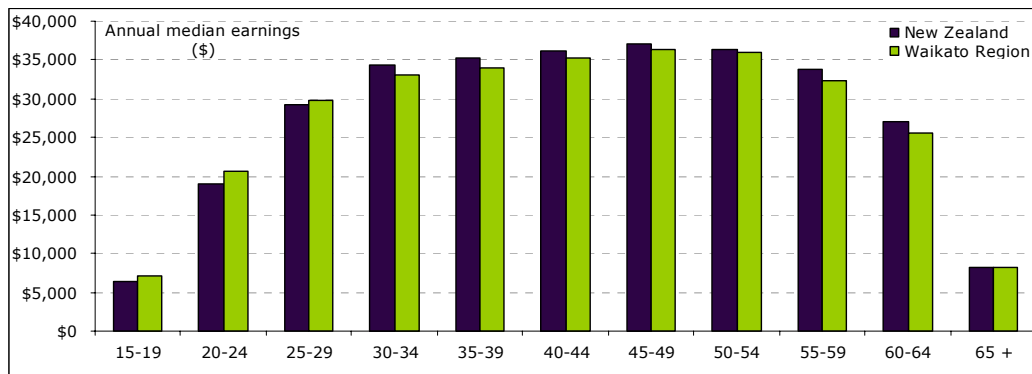
- less time on average in the job
- less seniority
- lower workplace skills.

Further information on low youth earnings can be found in the OECD Youth report³², including findings that youth:

- stay in their early post-education jobs for a much shorter tenure
- have a particularly high turnover in jobs
- have 'entry' jobs that have little relationship to training.

Chart 18 compares Waikato Region and national annual median earnings from wages and salaries by age group. Overall, Waikato Region had average median earnings from wages and salaries below the New Zealand average. However, looking at annual median earnings for different age groupings shows that those 15–24 years old in Waikato Region actually had higher earnings than the average for 15–24 year olds in New Zealand³³ and that the region had a marginally flatter earning profile than New Zealand.

Chart 18: Annual median earnings from wages and salaries by age (5-year grouping) for the 2006 tax year



Source: Linked Employer-Employee Dataset, Statistics New Zealand

What is driving the pattern of earnings for youth in your region? What are the impacts for youth? Is this likely to have any impact on migration patterns? Is the pattern of earnings likely to change over the next few years?

³² *Jobs for Youth – New Zealand, 2008*, p54 and p59.

³³ Due to confidentiality issues, Statistics New Zealand are unable to provide median annual earnings by TA from the LEED dataset.

GLOSSARY OF TERMS

Employment: The number of people in work for one hour or more per week.

Employment rate: The proportion of the working-age population that is employed.

Ethnicity: Ethnic group or groups that people identify with or feel they belong to. Ethnicity is a measure of cultural affiliation, as opposed to race, ancestry, nationality or citizenship. Ethnicity is self-assigned, and people can belong to more than one ethnic group.

As part of the 2006 Census, the ethnicity of 'New Zealander' appeared first as a standard output. In 2006, 11.1% of respondents listed New Zealander as one of their ethnicities. In previous Censuses, responses identifying New Zealander as the only ethnicity were coded within the New Zealand European category.

Statistics New Zealand has analysed the characteristics of respondents who classify themselves as a New Zealander. Their analysis suggests that people who list their ethnicity as New Zealander are more likely to be aged between 30–59, and more likely to be male than female. The complete report is available from the Statistics New Zealand website, here - <http://www.stats.govt.nz/analytical-reports/Profile+of+New+Zealander+responses+ethnicity+question+2006+Census.htm>.

Highest qualification: Combines highest secondary school qualification and post-school qualification to derive a single highest qualification by category of attainment for people aged 15 years and over. Qualifications are registered at one of ten levels, with the level depending on the complexity of the skills and knowledge that are being recognised. Level 1 qualifications are the least complex and are open-ended downward to capture all learning. Level 10 is the most complex. The levels do not equate to 'years spent learning' but reflect the content of the qualification. A brief description of the contents of the qualifications is:

- Level 1 to 3: senior secondary school learning (NCEA), foundation skills and introductory trades training
- Level 3 to 4: initial trade certificates
- Level 5 to 7: advanced trades, technical and business qualifications
- Level 7 and above: graduate and post-graduate qualifications.

Table 8 includes the four categories:

- No Qualification – this includes people with little or no qualifications obtained
- Total School – this includes people whose highest qualification was gained while attending school
- Total Post-School (Vocational) – this includes people whose highest qualification was gained from a post-school non-university establishment
- Total Bachelor Degree or Higher – this includes people whose highest qualification was a bachelor degree or higher.

Hours worked per week: Total number of hours usually worked in employment per week by the working-age population.

Income: Before-tax income from a range of sources such as labour, entrepreneurial skills and assets, and transfers received. Tax credits and money received by borrowing, making withdrawals from savings and receiving repayments of loan principal are excluded.

Industry: The type of activity undertaken by the organisation, enterprise or business within which a person aged 15 years and over is employed. Based on a classification managed by Statistics New Zealand.

Labour demand: People who employers are willing to have work for them, the number of hours they want them to work and the skills and attributes employers desire from these people to perform their jobs.

Labour force: The labour force consists of members of the working-age population who are classified as employed or unemployed (people in the labour force).

Labour force participation rate: The proportion of the working-age population who are either employed or unemployed. The terms 'labour force participation rate' and 'participation rate' are often used interchangeably. The adjusted labour force participation rate is a hypothetical rate showing what the regional labour force participation is likely to be if the age and gender structure of the region was the same as the national average.

Labour supply: People that make themselves available for work, and the attributes and skills these people bring to the workplace.

Not in the labour force: Any person in the working-age population who is neither employed nor unemployed. This includes, for example, retired people, students and people at home with children.

Not in Employment, Education or Training (NEET): Generally used in relation to youth. Identifies the group who are unengaged with either work or training. NEET data is generally expressed as a rate of the youth population.

Occupation: A set of jobs that require the performance of similar or identical tasks, and collected for employed people aged 15 years and over. Based on a classification managed by Statistics New Zealand.

Population: Unless explicitly stated, 'population' in this report refers to the usually resident population of an area.

School leaver attainment: Highest qualification held by school leavers.

Statistics New Zealand (SNZ): New Zealand's national statistical office.

Unemployment: The number of people in the working-age population who are without a paid job, are available for work and have actively sought work in the past four weeks or have a new job to start within the next four weeks.

Unemployment rate: The number of unemployed people expressed as a percentage of the labour force.

Wage and salary earnings: Earnings received for paid employment that is undertaken. Earnings consist of wages and salaries, back pay, commissions, allowances, bonuses (regular and non-regular), gratuities (tips), fees, piece rates, retainers, honoraria and paid leave.

Working-age population: Usually resident population aged 15 years and over.

DATA DICTIONARY

Census of Population and Dwellings 1996, 2001, 2006

Conducted by Statistics New Zealand, the Census of Population and Dwellings is the primary source of information on the size, composition, distribution and economic activities of the population. Census data is used for analysing trends, planning public services and allocating public funds in the areas of health, housing, transport, education, income, and law and order. The Census is run every five years. The Census data used in this report is for the years 1996, 2001 and 2006.

Because of the 'full coverage' nature of the Population Census, data for small areas such as TAs can be analysed. Data provided by Statistics New Zealand has been rounded to Base 3, as well as having some results suppressed. For the purposes of this report, any data that has been suppressed has been considered as equal to zero. The impact of this treatment is unlikely to be significant.

Household Labour Force Survey

Produced by Statistics New Zealand, the Household Labour Force Survey (HLFS) collects information relating to the employed, the unemployed and those not in the labour force who comprise New Zealand's working-age (15 years and over) population. It provides a regular, timely and comprehensive portrayal of New Zealand's labour force and Statistics New Zealand's official employment measure. The HLFS is produced quarterly and available from the December quarter 1985.

Differences between the Household Labour Force Survey and the Population Census

The HLFS and the Census of Population both produce estimates of labour force statistics such as unemployment, participation and NEET. Because these two sources are gathered differently, they can produce different estimates. The HLFS is the official measure of labour market information for New Zealand.

The biggest difference in the context of youth engagement is that, in the Census, youth that are acting as caregivers cannot be separated from others who are not engaged in employment or education. This difference, as well as the general differences, leads to higher rates of youth not engaged in employment or education (NEET) in the Census.

Within the Annual In-Depth Regional reports, Population Census calculations of labour market variables have been used in many instances, as estimates from this source are more robust for small areas, especially at the Territorial Authority level.

Department of Labour analysis tools

The Department of Labour has developed a series of online, labour market 'tools'. The tools are interactive, updatable and based on the latest official statistics. They enable the user to select a particular industry, occupation or region and compare information with other sectors, regions or the national average. The four labour market analysis tools currently available are:

- Key information tool
- Occupational indicators
- Regional industry snapshot
- Regional industry trends
- Jobs and tertiary education indicator.

These tools are stored on the Department of Labour website – <http://www.dol.govt.nz/services/LMI/tools/index.asp>.

Linked Employer-Employee Dataset (LEED)

Produced by Statistics New Zealand, annual statistics produced from the Linked Employer-Employee Dataset (LEED) measure labour market dynamics, providing an insight into the operation of New Zealand's labour market and its relationship to business performance. LEED uses existing administrative data drawn from the Inland Revenue Department (IRD), together with business data from Statistics New Zealand's Business Frame (BF).

National and subnational population projections

Population projections are estimates of the size and composition of the population at a future date. Projections are available for the total New Zealand population, local and regional populations, various ethnic populations, families and households, and the labour force. A number of alternative series are produced in each set of projections. These use different combinations of appropriate assumptions about future fertility, mortality, net migration, inter-ethnic mobility, living arrangement type and labour force participation patterns of the population. Projections are updated every two to three years.

The data used in this report is the Subnational Population Projection 2006-base to 2031. These projections have as a base the estimated resident population of each area at 30 June 2006.

School leavers data

Produced by the Ministry of Education, the monitoring of the highest attainment of school leavers is based on the annual 1st March survey of secondary and composite schools. These statistics include all full-time regular students, full-time adult students and special education class students who left school during the period 1 March 2005–28 February 2006, to go on to further education, training, the workforce or other activities.

Unemployment

There are a number of differences between people counted as 'officially unemployed' (measured in the Household Labour Force survey) and counts of people receiving the MSD Unemployment Benefit (UB recipients). These differences mean that the two measures of unemployment are not comparable although they tend to move in the same direction over time. The Household Labour Force Survey (HLFS) measure of unemployment is the official measure, follows consistent rules and is internationally comparable. The count of UB recipients is an administrative measure and is affected by administration procedures and adjustments (such as changes in work-testing rules).

The officially unemployed are people aged 15 years and older who:

- are without any paid work and without unpaid work in a relative's business
- have actively sought work in the previous four weeks (i.e. done more than check newspaper advertisements)
- are available to take up work
- had a new job to start within the next four weeks.

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APPENDIX 2: POPULATION SUMMARY STATISTICS

The following tables provide additional context for the youth labour market in Waikato Region.

Total population of New Zealand, Waikato Region and relevant Territorial Authorities

	2006	Change from 2001	
		Number	Percentage
New Zealand	4,027,947	290,661	7.8%
Waikato Region	382,716	24,987	7.0%
Thames-Coromandel District	25,941	765	3.0%
Hauraki District	17,190	426	2.5%
Waikato District	43,959	4,104	10.3%
Matamata-Piako District	30,480	1,008	3.4%
Hamilton City	129,249	14,328	12.5%
Waipa District	42,501	2,208	5.5%
Otorohanga District	9,075	-207	-2.2%
South Waikato District	22,641	-831	-3.5%
Waitomo District	9,438	-18	-0.2%
Taupo District	32,421	900	2.9%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Waikato Region population and population projections 2006 to 2031

	2006		2031		Percentage Change	
	15-19	20-24	15-19	20-24	15-19	20-24
	Years	Years	Years	Years	Years	Years
New Zealand	300,198	270,978	316,400	323,410	5.4%	19.3%
Waikato Region	28,938	25,095	29,040	28,490	0.4%	13.5%
Thames-Coromandel District	1,380	939	1,120	910	-18.8%	-3.1%
Hauraki District	1,170	663	710	450	-39.3%	-32.1%
Waikato District	3,420	2,175	3,720	3,060	8.8%	40.7%
Matamata-Piako District	2,187	1,503	1,620	1,260	-25.9%	-16.2%
Hamilton City	11,148	13,071	13,490	15,850	21.0%	21.3%
Waipa District	3,048	2,013	3,180	2,480	4.3%	23.2%
Otorohanga District	699	555	530	460	-24.2%	-17.1%
South Waikato District	1,746	1,053	970	770	-44.4%	-26.9%
Waitomo District	690	474	520	430	-24.6%	-9.3%
Taupo District	2,133	1,773	1,590	1,500	-25.5%	-15.4%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Ethnicity of Waikato Region residents in 2006

	Population composition (%) in 2006					
	European	Māori	Asian	Pacific Peoples	New Zealander	Other
New Zealand	67.6%	14.6%	9.2%	6.9%	11.1%	0.9%
Waikato Region	70.4%	21.0%	5.0%	3.2%	11.4%	0.7%
Thames-Coromandel District	78.2%	16.0%	1.5%	1.3%	13.8%	0.3%
Hauraki District	77.9%	19.1%	1.8%	2.2%	11.1%	0.2%
Waikato District	69.0%	25.8%	2.7%	2.4%	11.5%	0.3%
Matamata-Piako District	77.9%	13.2%	2.9%	1.0%	12.2%	0.4%
Hamilton City	65.3%	19.9%	10.6%	4.2%	10.6%	1.5%
Waipa District	79.9%	13.1%	1.7%	1.1%	12.7%	0.2%
Otorohanga District	70.6%	27.0%	1.8%	1.6%	11.2%	0.2%
South Waikato District	63%	32%	2%	12%	10%	0%
Waitomo District	60%	40%	1%	2%	10%	0%
Taupo District	68%	28%	2%	3%	12%	0%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Note: The method of calculating ethnicity shares has been enhanced, which makes the proportions slightly different than those reported in the 2007 AIDRs.

Highest qualification of the working-age population in Waikato Region in 2006

	No Qualification	Total School	Total Post-School (Vocational)	Total Bachelor Degree or Higher
New Zealand	18.7%	34.8%	27.2%	19.4%
Waikato Region	22.6%	34.4%	28.0%	15.0%
Thames-Coromandel District	24.5%	34.8%	30.2%	10.5%
Hauraki District	32.6%	34.3%	26.0%	7.1%
Waikato District	24.2%	33.3%	28.1%	14.5%
Matamata-Piako District	28.0%	36.7%	26.7%	8.6%
Hamilton City	16.1%	33.7%	27.4%	22.8%
Waipa District	21.8%	34.9%	29.6%	13.8%
Otorohanga District	30.5%	35.9%	25.8%	7.8%
South Waikato District	31.3%	33.0%	28.1%	7.6%
Waitomo District	33.8%	33.3%	23.8%	9.0%
Taupo District	23.9%	34.8%	30.7%	10.7%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Industry employment of people living in Waikato Region for 15–19 and 20–24 year olds in 2006, and change from 2001

	2006		Change since 2001	
	15–19 Years	20–24 Years	15–19 Years	20–24 Years
Agriculture, Forestry and Fishing	1,422	1,614	-21.8%	-3.2%
Mining	27	60	200.0%	185.7%
Manufacturing	1,338	1,980	12.9%	3.8%
Electricity, Gas and Water Supply	24	57	33.3%	5.6%
Construction	1,308	1,782	108.6%	76.3%
Wholesale Trade	474	786	31.7%	18.6%
Retail Trade	3,999	2,886	5.7%	17.6%
Accommodation, Cafés and Restaurants	1,743	1,443	22.8%	25.6%
Transport and Storage	153	345	24.4%	7.5%
Communication Services	123	171	-22.6%	23.9%
Finance and Insurance	99	276	94.1%	26.0%
Property and Business Services	735	1,584	20.1%	34.7%
Government Administration and Defence	66	348	37.5%	12.6%
Education	210	726	-1.4%	7.1%
Health and Community Services	366	840	43.5%	13.4%
Cultural and Recreational Services	342	516	-5.0%	15.4%
Personal and Other Services	330	498	-9.1%	11.4%
Not Elsewhere Included	1,035	828	24.5%	18.5%
Total	13,800	16,737	12.8%	18.7%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Industry employment of people living in New Zealand in 2006, and change from 2001

	2006		Change since 2001	
	15-24 Years	15 Years and Over	15-24 Years	15 Years and Over
Agriculture, Forestry and Fishing	18,651	137,808	-11.2%	-3.5%
Mining	390	4,152	94.0%	23.7%
Manufacturing	30,315	226,152	2.0%	1.0%
Electricity, Gas and Water Supply	516	6,093	-5.0%	2.0%
Construction	25,299	147,549	76.4%	42.0%
Wholesale Trade	14,679	107,664	14.9%	8.3%
Retail Trade	74,067	238,107	15.9%	14.3%
Accommodation, Cafés and Restaurants	34,023	94,587	19.7%	17.7%
Transport and Storage	7,386	75,249	11.4%	13.2%
Communication Services	4,203	24,333	1.3%	5.1%
Finance and Insurance	7,386	64,134	21.0%	23.5%
Property and Business Services	29,907	253,734	26.1%	30.4%
Government Administration and Defence	7,476	67,098	13.1%	12.5%
Education	9,870	139,134	7.7%	9.9%
Health and Community Services	12,480	161,127	15.5%	14.6%
Cultural and Recreational Services	10,587	51,666	18.9%	25.2%
Personal and Other Services	9,819	76,077	10.9%	18.3%
Not Elsewhere Included	19,410	111,111	28.1%	22.3%
Total	316,455	1,985,778	16.8%	15.0%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Employment by age and occupation in Waikato Region for 15-19 and 20-24 year olds in 2006

	2006		Change from 2001	
	15-19 Years	20-24 Years	15-19 Years	20-24 Years
Legislators, Administrators and Managers	282	1,011	74.1%	40.4%
Professionals	264	1,350	79.6%	22.3%
Technicians and Associate Professionals	753	1,992	100.8%	42.8%
Clerks	1,485	1,701	4.4%	-2.1%
Service and Sales Workers	4,329	3,249	5.3%	9.5%
Agriculture and Fishery Workers	1,482	1,581	-21.3%	-1.9%
Trades Workers	1,647	2,367	65.4%	45.6%
Plant and Machine Operators and Assemblers	1,035	1,536	24.1%	16.4%
Elementary Occupations	1,566	1,158	8.1%	27.8%
Not Elsewhere Included	951	786	12.4%	9.2%
Total	13,800	16,737	12.8%	18.7%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

Employment by age and occupation in New Zealand in 2006

	2006		Change from 2001	
	15-24 Years	15 Years and Over	15-24 Years	15 Years and Over
Legislators, Administrators and Managers	15,087	283,257	51.1%	30.9%
Professionals	20,292	292,101	21.3%	21.9%
Technicians and Associate Professionals	32,610	240,081	41.3%	25.9%
Clerks	39,981	218,061	1.2%	0.7%
Service and Sales Workers	87,933	269,232	12.0%	11.0%
Agriculture and Fishery Workers	18,564	129,654	-12.5%	-5.7%
Trades Workers	32,883	168,135	45.1%	15.7%
Plant and Machine Operators and Assemblers	21,072	150,324	9.1%	4.4%
Elementary Occupations	28,998	122,220	19.3%	21.4%
Not Elsewhere Included	19,041	112,710	21.6%	19.6%
Total	316,458	1,985,778	16.8%	15.0%

Source: 2006 Census of Population and Dwellings, Statistics New Zealand

APPENDIX 3: REGIONAL LABOUR MARKET KNOWLEDGE MANAGERS CONTACT DETAILS

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